CREDEMVITA

Rendicontazione sulla Trasparenza della promozione delle caratteristiche ambientali o sociali e degli investimenti sostenibili nelle relazioni periodiche (ai sensi dell'art. 65 del Regolamento delegato (UE) 2022/1288 che integra l'art. 11 del Regolamento (UE) 2019/2088)

CREDEMVITA PRIVATE COLLECTION - 60091

Gentile Cliente,

le comunichiamo che, nell'anno di riferimento della rendicontazione 2022, la Sua Polizza ha promosso, tra le altre, caratteristiche ambientali o sociali qualora i premi da lei corrisposti siano stati, in tutto o in parte, investiti in fondi d'investimento qualificati come prodotti finanziari che promuovono caratteristiche ambientali o sociali o che hanno come obiettivo investimenti sostenibili ai sensi dell'art. 8 o 9 del Regolamento (UE) 2019/2088 ("SFDR").

Pertanto, ai fini della rendicontazione periodica sulla trasparenza della promozione delle caratteristiche ambientali o sociali degli investimenti sostenibili per i prodotti assicurativi di investimento ai sensi dell'art. 11 del SFDR (la "Rendicontazione ESG"), seguono in allegato:

- la lista delle opzioni ESG disponibili al 31/12/2022 nella sua Polizza (Allegato 1);
- la rendicontazione ESG di ciascuna delle opzioni di cui al punto precedente, laddove attualmente disponibile (Allegato 2). Le tempistiche di produzione delle rendicontazioni ESG delle opzioni sottostanti a questa polizza, infatti, dipendono dal gestore di ciascuna opzione e, per questo, alcune rendicontazioni potrebbero non essere ancora state pubblicate. Sarà nostra premura aggiornare questo documento, che rimarrà consultabile sull'Area Riservata, per aggiungere le rendicontazioni ESG che saranno tempo per tempo rese disponibili.

Si precisa che la promozione delle caratteristiche ESG da parte della Polizza è subordinato all'effettiva e continuata detenzione degli investimenti nei fondi di cui agli art. 8 e/o art. 9 del SFDR. Le ricordiamo che può in ogni caso trovare la lista di tutte le specifiche opzioni (anche non ESG) in cui la sua Polizza attualmente investe all'interno del Documento Unico di Rendicontazione che le è reso disponibile su base annuale, al fine di darle una informativa circa l'andamento del portafoglio riferito alla sua Polizza.

Le ricordiamo che per qualsiasi informazione il suo consulente di riferimento è a completa disposizione.

CREDEMVITA

ALLEGATO 1 – OPZIONI DI INVESTIMENTO

Data: 31/12/2022

Sezione I – Prodotti finanziari che promuovono caratteristiche ambientali o sociali

- Aberdeen - China A Share Equity Fund
- Aberdeen - European Equity Fund
- Aberdeen Standard - Asia Pacific Sustainable Eq Fd
- Allianz Climate Transition
- Allianz Dynamic Multi Asset Strategy 50 -IT- EUR
- Allianz Europe Equity Growth - IT - EUR
- Allianz Thematica
- Amundi ETF - Floating Rate Euro Corp 1-3 ETF
- Amundi ETF - MSCI World Low Carbon ETF UCITS
- Amundi Floating Rate USD Corporate UCITS ETF
- Amundi Funds - Bond Global Emerging Mkts Corp
- Amundi Funds - Cash EUR Fund - ME
- Amundi Funds - European Convertible Bond ME
- Amundi Funds - Global Perspectives - MEC
- Amundi Funds - Rendement Plus - MC
- Amundi Index Euro Agg Corporate SRI - UCITS ETF
- Amundi Index US Corp SRI - UCITS ETF DR (C)
- Axa IM FIIS - US Short Duration High Yield Fund
- AXA World Funds - Euro Credit Short Duration Fund
- AXA World Funds - Euro Credit Total Return
- AXA World Funds - Euro Inflation Bonds
- AXA World Funds - Framlington Eur Real Estate Sec
- AXA World Funds - Framlington Global Convertibles
- AXA World Funds - Framlington Italy - I
- AXA World Funds - Framlington Robotech
- AXA World Funds - Global Factors - Sustainable Equity
- AXA World Funds - Global Inflation Short Du Bd
- AXA World Funds - Global Optimal Income - I
- AXA World Funds - Global Strategic Bonds - IHA
- AXA World Funds – Optimal Income Fund - AC
- Bantleon Opportunities L - IT
- Bantleon Opportunities S - IT
- BlackRock - Continental European Flexible Fund RF
- BlackRock - European Equity Income Fund
- BlackRock - European Value Fund
- BlackRock - World Technology Fund I2
- BlackRock Global Funds - Sust Fixed Income Strategies
- BlackRock Global Funds - World HealthScience Fund
- BNP Paribas - Disruptive Technology
- BNP Paribas - Europe Equity
- BNP Paribas - Europe Small Cap Convertible
- BNP Paribas - Local Emerging Bond
- BNP Paribas - Turkey Equity
- BNP Paribas Fund Health Care Innovators
- BNY Mellon Mobility Innovation Fund
- Candriam Bonds Emerging Markets - IH
- Candriam Bonds Euro High Yield
- Candriam Bonds Euro High Yield - I
- Candriam Equities L - Biotechnology - I
- Candriam Equities L Global Demography
- Candriam Money Market Euro
- CARMIGNAC Investissement A EUR Acc
- CARMIGNAC Patrimoine A EUR Acc
- Carmignac Portfolio Emerging Patrimoine
- Carmignac PS Patrimoine Europe
- CARMIGNAC Securite A EUR Acc
- Comgest Growth Global
- Comgest Growth PLC - Comgest Growth Europe - IA
- CPR Invest - Hydrogen - M2 EUR - Acc
- CPR Invest Global Disruptive Opportunities
- Credit Suisse Lux - Global Robotics Equity Fund
- Credit Suisse Lux Global Security Equity Fund
- CT Responsible Euro Corporate Bond Fund R Acc EUR
- CT Responsible Global Emerging Markets Equity
- CT Responsible Global Equity
- Deutsche Concept Kaldemorgen - FC
- DNCA Invest - Eurose - I

- DNCA Invest - Evolutif - I
- DNCA Invest - Miuri - I
- Dorval Convinctions - I
- DPAM INVEST B Equities NewGems Sustainable
- DPAM L Bonds EUR High Yield Short Term
- DPAM L Bonds Universalis Unconstrained
- DPAM L Patrimonial Fund
- DWS Concept - DJE Alpha Renten Global - FC
- DWS Invest I German Equities - FC
- DWS Invest I Top Dividend - FC
- Ethna-AKTIV (T)
- Ethna-Dynamisch - T
- Eurofundlux - Equity Income ESG
- Euromobiliare International Fund - Euro Defensive
- Euromobiliare International Fund - Euro Equity - B
- Fidelity Active STrategy - Emerging Markets Fund
- Fidelity Active STrategy - Europe Fund - Y
- Fidelity Funds - America Fund - Y
- Fidelity Funds - Asian Special Situations Fund
- Fidelity Funds - China Consumer Fund - Y
- Fidelity Funds - Euro Short Term Bond Fund - Y
- Fidelity Funds - Flexible Bond Fund - YH
- Fidelity Funds - Global Dividends Plus Fund - Y
- Fidelity Funds - Global Financial Services Fund
- Fidelity Funds - Global Inflation-linked Bond Fund
- Fidelity Funds - Iberia Fund
- Fidelity Funds - Italy Fund - Y
- Fidelity Funds - World Fund
- Fidelity Global Short Duration Inc Fund - Y - Eur
- Franklin Technology Fund
- Franklin Templeton - Franklin Alt Strategies Fund
- Franklin Templeton - Franklin U.S. Opportun Fd
- Franklin Templeton - Templeton Global Bond Fund
- Franklin Templeton - Templeton Global Bond Fund H1
- GAM Multistock - Luxury Brands Equity - C
- GAM Star Credit Opportunities EUR
- GAM Star European Equity
- Goldman Sachs - Global CORE Equity Portfolio
- Goldman Sachs Global Env Impact Equity Portfolio
- Invesco Asia Asset Allocation Fund - C
- Invesco Asia Consumer Demand Fund - CH
- Invesco Belt and Road Debt Fund
- Invesco Emerging Market Corporate Bond Fund - CH
- Invesco Euro Bond Fund - C
- Invesco Euro Corporate Bond Fund - C
- Invesco Global Consumer Trends Fund - E
- Invesco Global Structured Equity Fund - CH
- Invesco Global Total Return (EUR) Bond Fund - C
- Invesco Pan European High Income Fund - C
- Invesco Pan European Structured Equity Fund - C
- Invesco UK Equity Fund
- iShares MSCI USA SRI UCITS ETF USD (Acc)
- Janus Henderson - Euro Corporate Bond Fund - I2
- Janus Henderson - Global Technology Leaders
- Janus Henderson - Pan European Absolute Return
- Janus Henderson - Pan European Property Eq Fund
- Janus Henderson Absolute Return Fund I Acc (Eur hedged)
- Janus Henderson Horizon Global Prop Eq Fund
- JP Morgan F China A Shr Opp F A EUR Acc
- JPM Europe Strategic Dividend C (acc) - EUR
- JPM Global Corporate Bond C (acc) - EUR (hedged)
- JPM Global Focus C (acc) - EUR
- JPM Global Strategic Bond C - EUR (hedged)
- JPM US Aggregate Bond C (acc) - EUR (hedged)
- JPMorgan Funds - Europe Dynamic Tech Fund
- Jupiter JGF - European Growth
- La Financière de l'Echiquier - ARTY SRI - A
- La Financière de l'Echiquier - Echiquier Major - G
- La Financière de l'Echiquier - Patrimoine - A
- Lazard Credit FI SRI
- Legg Mason - Brandywine Global Fixed Income Fund
- Legg Mason Brandywine Global Income Optimiser Fund
- Lombard Odier - Global BBB-BB Fundamental Fund
- Lombard Odier Funds - Convertible Bond Fund - IA
- Lombard Odier Funds - Golden Age - IA
- Lyxor New Energy UCITS ETF
- M&G (Lux) Dynamic Allocation Fund - C
- M&G (Lux) Global Dividend Fund
- M&G (Lux) Global Macro Bond Fund
- M&G (Lux) Income Allocation Fund - C
- M&G (Lux) Japan Fund
- M&G (Lux) Optimal Income Fund
- M&G Global Listed Infrastructure Fund
- Mandarine - Mandarine Unique Small&Mid Caps Europe
- MFS Meridian - Global Intrinsic Value Fund

- MFS Meridian - Prudent Capital Fund
- MFS Meridian Funds - Global Concentrated Fund - I1
- MFS Meridian Funds - Global Equity Fund - I1
- MFS Meridian Funds - Prudential Wealth - IH1
- Morgan Stanley - US Advantage Fund - ZH
- Morgan Stanley Investment Funds - Global Brands
- Muzinich - Global Tactical Credit
- Muzinich ShortDurationHighYield Fund - Euro Hedged
- Natixis - Seeyond Multi Asset Conservative Growth
- Natixis - Thematics AI and Robotics Fund
- Neuberger Berman Corporate Hybrids
- Neuberger Berman High Yield Bond Fund - I
- Neuberger Berman Short Duration Emerg Mkt Debt Fd
- Neuberger Berman Short Duration High Yield Bond Fd
- Neuberger Berman Us Long Short Equity
- Neuberger Berman US Real Estate Securities Fund
- Ninety One GSF - European Equity Fund
- Ninety One GSF - Global Franchise Fund
- Ninety One GSF - Global Multi-Asset Income Fund
- NN (L) - Global Bond Opportunities - I
- NN (L) Emerging Market Debt Hard Currency - IHC
- Nordea 1 SICAV - Emerging Stars Equity Fund -BI
- Nordea 1 SICAV - European Covered Bond Fund - BI
- Nordea 1 SICAV - European Cross Credit Fund
- Nordea 1 SICAV - Stable Return Fund - BI
- Nordea 1 SICAV - US Total Return Bond Fund - HBI
- Pictet - Digital Communication - HI
- Pictet - Emerging Local Currency Debt Fund - I
- Pictet - EUR Short Term High Yield Fund - I
- Pictet - Japanese Equity Opportunities
- Pictet - Multi Asset Global Opportunities - I
- Pictet - Robotics
- Pictet - Security - I
- PIMCO - Global Real Return Fund - INST Euro Hedged
- Robeco BP Global Premium Equities
- Robeco FinTech I EUR
- Robeco Global Consumer Trends I EUR
- Robeco Global Credits - IH
- Robeco Global Dynamic Duration - IH
- Rothschild - R-co 4Change Moderate Allocation
- Rothschild - R-CO Conviction Club - C
- Rothschild - R-CO Valor - C
- Schroder - Asian Equity Yield - C
- Schroder - EURO Bond
- Schroder - EURO Government Bond - C
- Schroder - Japanese Equity - C Euro Hedged
- Schroder ISF - US Dollar Bond
- Schroders ISF Global Sustainable Growth
- State Street - Global Managed Volatility Equity Fd
- T. Rowe - Dynamic Global Bond Fund IH
- T. Rowe - European Equity Fund - I
- T. Rowe - European High Yield Bond Fund - I
- T. Rowe - US Equity Fund IH EUR
- Threadneedle (Lux) - American Smaller Companies Fund
- Threadneedle (Lux) – Pan European ESG Equities
- Threadneedle (Lux) – Pan European Smaller Companies
- Threadneedle Lux - Global Smaller Companies - IE
- UBAM - 30 Global Leaders Equity
- UBAM - EM Corporate Bond Short Duration
- UBS (Lux) Equity Fund - China Opportunity (USD)
- UBS (Lux) Equity SICAV - Swiss Opportunity
- UBS Global Impact
- UBS Long Term Themes
- Vontobel Fund - Emerging Markets Equity - HI
- Vontobel Fund - EUR Corporate Bond Mid Yield - I
- Vontobel Fund - European Equity - I
- Vontobel Fund - Global Aggregate - I
- Vontobel Fund - Global Equity - HI
- Vontobel Fund - TwentyFour Strategic Income
- Vontobel Fund - US Equity

Sezione II – Prodotti finanziari che hanno come obiettivo investimenti sostenibili

- AXA World Funds - Framlington Women Empowerment
- AXA World Funds - Global Green Bonds
- BNP Paribas - Aqua

- BNP Paribas - SMaRT Food
- Candriam Equities L Oncology Impact
- Candriam Sustainable Equity Circular Economy
- Candriam Sustainable Equity Emerging Markets
- Carmignac Portfolio Climate Transition F EUR Acc
- CT SDG Engagement Global Equity R Acc EUR
- DPAM INVEST B Equities Sust Food Trends
- DPAM INVEST B Equities World Sustainable
- DPAM L - Bonds Emerging Markets Sustainable
- DPAM L Bonds Government Sustainable Hedged
- EIF - TR Flex Aggressive - B
- Euromobiliare F3
- M&G (Lux) Sustainable Allocation Fund
- Mirova Euro Green-Sustainable Corp Bonds
- Mirova Euro Sustainable Equity
- Mirova Global Climate Ambition Equity Fund
- Muzinich Global High Yield Low Carbon Credit
- Pictet - Biotech
- Pictet - Clean Energy - I
- Pictet - Global Environmental Opportunities
- Pictet - Global Megatrend Selection Fund - I
- Pictet - SmartCity
- Pictet - Timber - I
- Raiffeisen Green Bonds (R)
- Schroder ISF - Global Cities Real Estate
- Schroders ISF Global Energy Transition
- UBAM - Positive Impact Equity

Allegato 2

Rendicontazioni SFDR

Product name:
Allianz Climate Transition

Legal entity identifier: 52990080FLOXFRNVGP49

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ It made **sustainable investments with an environmental objective**: _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 56.4% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Allianz Climate Transition (the «Sub-Fund») promoted environmental, social, human rights, governance, and business behaviour factors (this domain does not apply for sovereigns issued by a Sovereign Entity) through integration of a best-in-class approach into the investment process. This encompassed the evaluation of corporate or sovereign issuers based on an SRI Rating which is used to construct the portfolio.
In addition, sustainable minimum exclusion criteria were applied.
No reference benchmark had been designated for the purpose of attaining the environmental and/or social characteristics promoted by the as the Sub-Fund does not use a sustainability benchmark nor has defined its binding elements in comparison to the benchmark. However, sustainability indicators are partly reported in comparison to the benchmark in order to increase the informative value.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- How did the sustainability indicators perform?

  To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and performed as follows:
  - The actual percentage of the Sub-Fund's Portfolio (Portfolio, in this respect, did not comprise on-rated derivatives and instruments that are non-rated by nature (e. g., cash and deposits)) invested in best-in-class issuers (issuers with a minimum SRI Rating of 2 out of a scale from 0-4) was 101.21 %
  - The actual percentage of the benchmark invested in best-in-class issuers was 93.15 %
  - The Sub-Fund adhered to a 20 % reduction of investment universe
  - The Principal Adverse Impacts (PAIs) of investment decisions on sustainability factors were considered through the adherence to the exclusion criteria applied for direct investments. The following sustainable minimum exclusion criteria for direct investments were applied:
  - securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for

Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues,
- securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
- securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services,
- securities issued by companies that derive more than 10% of their revenue from thermal coal extraction,
- securities issued by utility companies that generate more than 20% of their revenues from coal,
- securities issued by companies involved in the production of tobacco, and securities issued by companies involved in the distribution of tobacco with more than 5% of their revenues.

Direct investments in sovereign issuers with an insufficient freedom house index score were excluded.

The sustainable minimum exclusion criteria are based on information from an external data provider and coded in pre- and post-trade compliance. The review was performed at least half yearly.

- What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Investments contributed to environmental and/or social objectives, for which the Investment Managers used as reference frameworks, among others, the UN Sustainable Development Goals (SDGs), as well as the objectives of the EU Taxonomy.
The assessment of the positive contribution to the environmental or social objectives was based on a proprietary framework which combined quantitative elements with qualitative inputs from internal research. The methodology applies first a quantitative breakdown of a securities issuer into its business activities. The qualitative element of the framework is an assessment if business activities contribute positively to an environmental or a social objective.
The positive contribution on the Sub-Fund level was calculated by considering the revenue share of each issuer attributable to business activities which contributed to environmental and/or social objectives, provided the issuer satisfied the Do No Significant Harm («DNSH») and Good Governance principles. In the second step, asset-weighted aggregation was performed. Moreover, for certain types of securities, which finance specific projects contributing to environmental or social objectives, the overall investment was considered to contribute to environmental and/or social objectives. Further, in these cases, a DNSH as well as a Good Governance check for issuers was performed.

- How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that Sustainable Investments did not significantly harm any other environmental and/or social objective, the Investment Manager of the Sub-Fund leveraged the PAI indicators, whereby significance thresholds have been defined to identify significantly harmful issuers. Issuers not meeting the significance thresholds might have been engaged for a limited period to remediate the adverse impact. Otherwise, if the issuer did not meet the defined significance thresholds twice subsequently or in case of a failed engagement, it did not pass the DNSH assessment. Investments in securities of issuers which did not pass the DNSH assessment were not counted as sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

PAI indicators were considered either as part of the application of the exclusion criteria or through thresholds on a sectorial or absolute basis. Significance thresholds have also been defined referring to qualitative or quantitative criteria.

Recognising the lack of data coverage for some of the PAI indicators, equivalent data points were used, when relevant, to assess PAI indicators when applying the DNSH assessment for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and

OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity investee and countries subject to social violations. In case of securities which finance specific projects contributing to environmental or social objectives equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective

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

The Investment Manager´s sustainable minimum exclusion list screened out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as securities issued by companies having a severe violation of these frameworks were restricted from investment universe.

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 Union criteria.
The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Management Company joined the Net Zero Asset Manager Initiative and considered PAI indicators through stewardship including engagement, both of which were relevant to mitigate potential adverse impact as a company.

Due to the commitment to the Net Zero Asset Manager Initiative, the Management Company aims to reduce greenhouse gas emissions in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emission by 2050 or sooner across all assets under management. As part of this objective the Management Company had set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner.

The Sub-Fund's Investment Manager considered PAI indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, the freedom house index was applied to investments in sovereigns. PAI indicators were considered within the Investment Manager's investment process through the means of exclusions as described in the sustainability indicator section.

Moreover, the data coverage for the data required for the PAI indicators were heterogenous. The data coverage related to biodiversity, water and waste is low and the related PAI indicators were considered through exclusion of securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues.
Additionally, PAI indicators were, among other sustainability factors, applied to derive the SRI Rating. The SRI Rating is used for the portfolio construction.
The following PAI indicators were considered:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

- Board gender diversity

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

- Investee countries subject to social violations



What were the top investments of this financial product?

During the reference period, the majority of the investments of the financial product contained equity, debt and / or target funds. A portion of the financial product contained assets which did not promote environmental or social characteristics. Examples of such assets are derivatives, cash and deposits. As these assets were not used to attain the environmental or social characteristics promoted by the financial product, they were excluded from the determination of top investments. The main investments are the investments with the largest weight in the financial product. The weight is calculated as an average over the four valuation dates. The valuation dates are the reporting date and the last day of every third month for nine months backwards from the reporting date.
For transparency purposes for the investments falling under the NACE sector «Public administration and defence; compulsory social security», the more detailed (sub- sector level) classification is displayed in order to differentiate between the investments which relate to sub-sectors «Administration of the State and the economic and social policy of the community», «Provision of services to the community as a whole» (which includes, among others, defence activities) and «Compulsory social security activities».
No direct sector allocation is possible for investments in target funds, as a target fund may invest in securities of issuers from different sectors.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022-30/09/2023

Largest investment	Sector	% Assets	Country
ASTRAZENECA PLC	MANUFACTURING	3.30 %	United Kingdom
NOVARTIS AG-REG	MANUFACTURING	2.68 %	Switzerland
BNP PARIBAS	FINANCIAL AND INSURANCE ACTIVITIES	2.48 %	France
SIEMENS AG-REG	INFORMATION AND COMMUNICATION	2.45 %	Germany
STMICROELECTRONICS NV	MANUFACTURING	2.31 %	Singapore
SCHNEIDER ELECTRIC SE	MANUFACTURING	2.30 %	USA
COMPASS GROUP	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	2.30 %	United Kingdom
UNILEVER PLC	MANUFACTURING	2.29 %	United Kingdom
ALLIANZ SE-REG	FINANCIAL AND INSURANCE ACTIVITIES	2.25 %	Germany
IBERDROLA SA	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.21 %	Spain
ESSILORLUXOTTICA	MANUFACTURING	2.11 %	France
SANOFI	MANUFACTURING	2.10 %	USA
KONINKLIJKE AHOLD DELHAIZE N	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	2.04 %	Netherlands
VINCI SA	CONSTRUCTION	2.01 %	France
DIAGEO PLC	MANUFACTURING	2.01 %	United Kingdom



What was the proportion of sustainability-related invetsments?

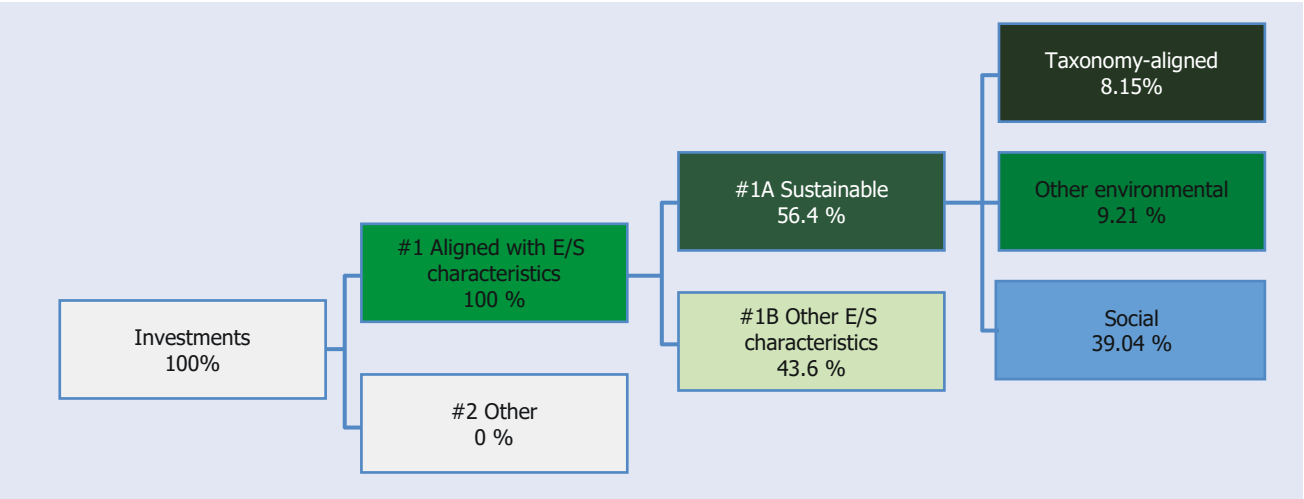
Sustainability-related investments refer to all investments that contribute to the achievement of the environmental and/or social characteristics within the scope of the investment strategy. The majority of the Sub-Fund's assets were used to meet the environmental or social characteristics promoted by this Sub-Fund. A low portion of the Sub-Fund contained assets which did not promote environmental

or social characteristics. Examples of such instruments are derivatives, cash and deposits, some Target Funds and investment with temporarily divergent or absent environmental, social, or good governance qualifications.

Asset allocation describes the share of investments in specific assets.

- What was the asset allocation?

Some business activities may contribute to more than one sustainable sub-category (social, taxonomy aligned or other environmental). This can lead to situations, in which the sum of the sustainable sub-categories does not match to overall number of the sustainable category. Nonetheless, no double counting is possible on the sustainable investment overall category.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- In which economic sectors were the investments made?

The table below shows the shares of the Sub-Fund's investments in various sectors and subsectors at the end of the financial year. The analysis is based on the NACE classification of the economic activities of the company or issuer of the securities in which the financial product is invested. In case of the investments in target funds, a look-through approach is applied so that the sector and sub-sector affiliations of the underlying assets of the target funds are taken into account to ensure transparency on the sector exposure of the financial product.
The reporting of sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council is currently not possible, as the evaluation includes only NACE classification level I and II. The fossil fuels activities mentioned above are considered aggregated with other activities under sub-sectors B5, B6, B9, C28, D35 and G46.

	Sector / Sub-sector	% Assets
B	**MINING AND QUARRYING**	**2.66 %**
B09	Mining support service activities	2.66 %
C	**MANUFACTURING**	**51.09 %**
C10	Manufacture of food products	4.72 %
C11	Manufacture of beverages	1.22 %
C20	Manufacture of chemicals and chemical products	8.65 %
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	13.25 %
C23	Manufacture of other non-metallic mineral products	3.27 %
C26	Manufacture of computer, electronic and optical products	4.93 %

C27	Manufacture of electrical equipment	5.55 %
C28	Manufacture of machinery and equipment n.e.c.	3.62 %
C29	Manufacture of motor vehicles, trailers and semi-trailers	0.06 %
C30	Manufacture of other transport equipment	1.34 %
C32	Other manufacturing	4.48 %
D	**ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY**	**7.07 %**
D35	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	7.07 %
E	**WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES**	**2.55 %**
E37	Sewerage	1.83 %
E38	Waste collection, treatment and disposal activities; materials recovery	0.72 %
F	**CONSTRUCTION**	**2.08 %**
F42	Civil engineering	2.08 %
G	**WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES**	**2.15 %**
G47	Retail trade, except of motor vehicles and motorcycles	2.15 %
I	**ACCOMMODATION AND FOOD SERVICE ACTIVITIES**	**2.29 %**
I56	Food and beverage service activities	2.29 %
J	**INFORMATION AND COMMUNICATION**	**11.55 %**
J58	Publishing activities	4.57 %
J61	Telecommunications	1.48 %
J62	Computer programming, consultancy and related activities	5.51 %
K	**FINANCIAL AND INSURANCE ACTIVITIES**	**15.65 %**
K64	Financial service activities, except insurance and pension funding	11.49 %
K65	Insurance, reinsurance and pension funding, except compulsory social security	4.16 %
K66	Activities auxiliary to financial services and insurance activities	0.00 %
M	**PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**	**3.91 %**
M71	Architectural and engineering activities; technical testing and analysis	2.23 %
M73	Advertising and market research	1.68 %
N	**ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES**	**0.01 %**
N77	Rental and leasing activities	0.01 %
O	**PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY**	**0.22 %**
O84	Public administration and defence; compulsory social security, from which:	0.22 %
O84.1	Administration of the State and the economic and social policy of the community	0.22 %
Other	**NOT SECTORIZED**	**-1.23 %**



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

The Taxonomy-aligned investments included debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-Taxonomy. Taxonomy-aligned data is provided by an external data provider. Taxonomy-aligned data was, only in rare cases, data reported by companies in accordance with the EU Taxonomy. The data provider derived Taxonomy-aligned data from other available equivalent company data.

The data were not subject to an assurance provided by auditors or a review by third parties.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The data does not reflect any data in government bonds. As of today, there is no recognized methodology available to determine the proportion of Taxonomy-aligned activities when investing in government bonds.

The share of investments in sovereigns was 0.22 % (calculated based on look-through approach).

As of the reporting date Taxonomy-aligned activities in this disclosure are based on share of turnover. Pre-contractual figures use turnover as its financial metric as a default in line with the regulatory requirements and based on the fact that complete, verifiable or up-to date data for CAPEX and/or OPEX as financial metric is even less available . Therefore, the corresponding values for CAPEX and OPEX are displayed as zero.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

☐ Yes

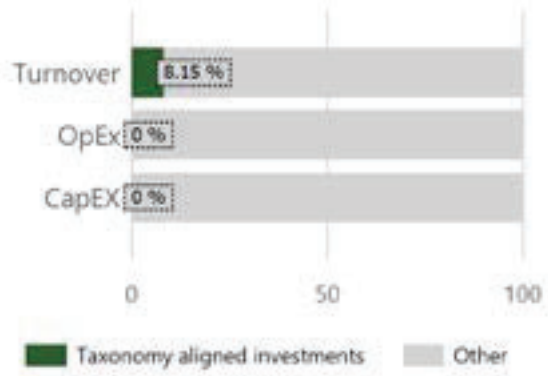
☐ In fossil gas ☐ In nuclear energy

☒ No

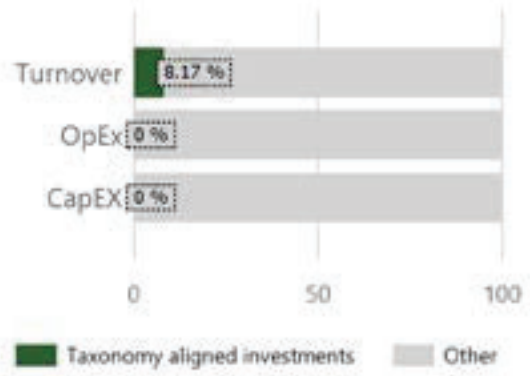
The breakdown of the shares of investments by environmental objectives in fossil gas and in nuclear energy is not possible at present, as the data is not yet available in verified form.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Climate change mitigation	0.00 %
Climate change adaptation	0.00 %

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

It is currently not possible to break down the shares of investments by environmental objectives, as the data is not yet available in a verified form.

- What was the share of investments made in transitional and enabling activities?

Transitional activities	0.00 %
Enabling activities	0.00 %

The Sub-Fund's Investment Manager has not committed to a split of minimum taxonomy alignment into transitional, enabling activities and own performance. Currently the Investment Manager does not have complete, verifiable and up-to-date data to review all investments with respect to the technical assessment criteria for enabling and transitional activities as set out in the Taxonomy Regulation.

Therefore, the corresponding values on the enabling and transitional activities are stated as 0%. Non-financial undertakings will disclose information on the taxonomy-alignment of their economic activities in the form of pre-defined KPIs, indicating to which environmental objective activities contribute and whether it is a transitional or enabling economic activity, only starting from 01 January 2023 (financial undertakings - from 01 January 2024). This information is a mandatory basis for this evaluation.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 9.21 %.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 39.04 %.



What investments were included under "#2 Other", what is their purpose and were there any minimum environmental or social safeguards?

Under «#2 Other» investments which were included were Cash, share of non-sustainable investments of Targets Funds, or Derivatives (calculation was based on a look-through approach). Derivatives were used for efficient portfolio management (including risk hedging) and/or investment purposes, and Target Funds to benefit from a specific strategy. There were no minimum environmental or social safeguards applied to these investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To ensure that the Sub-Fund fulfils its environmental and social characteristics, the binding elements were defined as assessment criteria. The adherence to binding elements was measured with the help of sustainability indicators. For each sustainability indicator, a methodology, based on different data sources, has been set up to ensure accurate measurement and reporting of the indicators. To provide for actual underlying data, the Sustainable Minimum Exclusion list was updated at least twice per year by the Sustainability Team and based on external data sources.

Technical control mechanisms have been introduced for monitoring the adherence to the binding elements in pre- and post-trade compliance systems. These mechanisms served to guarantee constant compliance with the environmental and social characteristics of the Sub-Fund. In case of identified breaches, corresponding measures were performed to address the breaches. Example of such measures are disposal of securities which are not in line with the exclusion criteria or engagement with the issuers (in case of direct investments in companies). These mechanisms are an integral part of the PAI consideration process.

In addition, AllianzGI engages with investee companies. The engagement activities were performed only in relation to direct investments. It is not guaranteed that the engagement conducted includes issuers held by every fund. The Investment Manager's engagement strategy rests on 2 pillars: (1) risk-based approach and (2) thematic approach.

The risk-based approach focuses on the material ESG risks identified. Engagements are closely related to the size of exposure. Significant votes against company management at past general meetings, controversies connected to sustainability or governance and other sustainability issues are in the focus of the engagement with investee companies

The thematic approach focuses on one of the three AllianzGI's strategic sustainability themes- climate change, planetary boundaries, and inclusive capitalism- or to governance themes within specific markets. Thematic engagements were identified based on topics deemed important for portfolio investments and were prioritized based on the size of AllianzGI´s holdings and considering the priorities of clients.



How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or

social characteristics promoted by the Sub-Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- How did the reference benchmark differ from a broad market index?

  Not applicable

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  Not applicable

- How did this financial product perform compared with the reference benchmark?

  Not applicable

- How did this financial product perform compared with the broad market index?

  Not applicable

Product name:

Allianz Dynamic Multi Asset Strategy SRI 50

Legal entity identifier: 529900NLULWWNUAUMG29

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective**: _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 29.93% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Allianz Dynamic Multi Asset Strategy SRI 50 (the «Sub-Fund») promoted environmental, social, human rights, governance, and business behaviour factors (this domain does not apply for sovereigns issued by a Sovereign Entity) through integration of a best-in-class approach into the investment process. This encompassed the evaluation of corporate or sovereign issuers based on an SRI Rating which is used to construct the portfolio.
In addition, sustainable minimum exclusion criteria were applied.
No reference benchmark had been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- How did the sustainability indicators perform?

  To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and performed as follows:
  - The actual percentage of the Sub-Fund's Portfolio (Portfolio, in this respect, did not comprise on-rated derivatives and instruments that are non-rated by nature (e. g., cash and deposits)) invested in best-in-class issuers (issuers with a minimum SRI Rating of 1 out of a scale from 0-4) was 90.15 %

  - The Principal Adverse Impacts (PAIs) of investment decisions on sustainability factors were considered through the adherence to the exclusion criteria applied for direct investments. The following sustainable minimum exclusion criteria for direct investments were applied:
  - securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues,

- securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
- securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services,
- securities issued by companies that derive more than 10% of their revenue from thermal coal extraction,
- securities issued by utility companies that generate more than 20% of their revenues from coal,
- securities issued by companies involved in the production of tobacco, and securities issued by companies involved in the distribution of tobacco with more than 5% of their revenues.

Direct investments in sovereign issuers with an insufficient freedom house index score were excluded.

The sustainable minimum exclusion criteria are based on information from an external data provider and coded in pre- and post-trade compliance. The review was performed at least half yearly.

- What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Investments contributed to environmental and/or social objectives, for which the Investment Managers used as reference frameworks, among others, the UN Sustainable Development Goals (SDGs), as well as the objectives of the EU Taxonomy.
The assessment of the positive contribution to the environmental or social objectives was based on a proprietary framework which combined quantitative elements with qualitative inputs from internal research. The methodology applies first a quantitative breakdown of a securities issuer into its business activities. The qualitative element of the framework is an assessment if business activities contribute positively to an environmental or a social objective.
The positive contribution on the Sub-Fund level was calculated by considering the revenue share of each issuer attributable to business activities which contributed to environmental and/or social objectives, provided the issuer satisfied the Do No Significant Harm («DNSH») and Good Governance principles. In the second step, asset-weighted aggregation was performed. Moreover, for certain types of securities, which finance specific projects contributing to environmental or social objectives, the overall investment was considered to contribute to environmental and/or social objectives. Further, in these cases, a DNSH as well as a Good Governance check for issuers was performed.

- How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that Sustainable Investments did not significantly harm any other environmental and/or social objective, the Investment Manager of the Sub-Fund leveraged the PAI indicators, whereby significance thresholds have been defined to identify significantly harmful issuers. Issuers not meeting the significance thresholds might have been engaged for a limited period to remediate the adverse impact. Otherwise, if the issuer did not meet the defined significance thresholds twice subsequently or in case of a failed engagement, it did not pass the DNSH assessment. Investments in securities of issuers which did not pass the DNSH assessment were not counted as sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

PAI indicators were considered either as part of the application of the exclusion criteria or through thresholds on a sectorial or absolute basis. Significance thresholds have also been defined referring to qualitative or quantitative criteria.

Recognising the lack of data coverage for some of the PAI indicators, equivalent data points were used, when relevant, to assess PAI indicators when applying the DNSH assessment for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity investee and countries subject to social violations. In case of securities which finance specific projects contributing to environmental or social objectives equivalent data at project level might be used

to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective

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

The Investment Manager´s sustainable minimum exclusion list screened out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as securities issued by companies having a severe violation of these frameworks were restricted from investment universe.

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 Union criteria.
The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The Management Company joined the Net Zero Asset Manager Initiative and considered PAI indicators through stewardship including engagement, both of which were relevant to mitigate potential adverse impact as a company.

Due to the commitment to the Net Zero Asset Manager Initiative, the Management Company aims to reduce greenhouse gas emissions in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emission by 2050 or sooner across all assets under management. As part of this objective the Management Company had set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner.

The Sub-Fund's Investment Manager considered PAI indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, the freedom house index was applied to investments in sovereigns. PAI indicators were considered within the Investment Manager's investment process through the means of exclusions as described in the sustainability indicator section.

Moreover, the data coverage for the data required for the PAI indicators were heterogenous. The data coverage related to biodiversity, water and waste is low and the related PAI indicators were considered through exclusion of securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues.
Additionally, PAI indicators were, among other sustainability factors, applied to derive the SRI Rating. The SRI Rating is used for the portfolio construction.
The following PAI indicators were considered:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

- Board gender diversity

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

- Investee countries subject to social violations

What were the top investments of this financial product?

During the reference period, the majority of the investments of the financial product contained equity, debt and / or target funds. A portion of the financial product contained assets which did not promote environmental or social characteristics. Examples of such assets are derivatives, cash and deposits. As these assets were not used to attain the environmental or social characteristics promoted by the financial product, they were excluded from the determination of top investments. The main investments are the investments with the largest weight in the financial product. The weight is calculated as an average over the four valuation dates. The valuation dates are the reporting date and the last day of every third month for nine months backwards from the reporting date.
For transparency purposes for the investments falling under the NACE sector «Public administration and defence; compulsory social security», the more detailed (sub- sector level) classification is displayed in order to differentiate between the investments which relate to sub-sectors «Administration of the State and the economic and social policy of the community», «Provision of services to the community as a whole» (which includes, among others, defence activities) and «Compulsory social security activities».
No direct sector allocation is possible for investments in target funds, as a target fund may invest in securities of issuers from different sectors.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022-30/09/2023

Largest investment	Sector	% Assets	Country
ALLIANZ-US SHDU HI B-WTH2EUR	N/A	2.97 %	Luxembourg
ALLIANZ SECURICASH SRI-W	N/A	2.69 %	France
MICROSOFT CORP	INFORMATION AND COMMUNICATION	2.15 %	USA
ISHARES EUR HY CORP ESG EURA	N/A	2.02 %	Netherlands
S ST SUST CL EM EN EQ F-IUSD	N/A	1.98 %	Luxembourg
SCHRODER INTL EMERG MKTS-AAE	N/A	1.95 %	Luxembourg
ARAMEA RENDIT PL NACHALTIG-I	N/A	1.72 %	Germany
ISHARES JPM ESG USD EM BD D	N/A	1.64 %	United Kingdom
WISDOMTREE CARBON	N/A	1.40 %	United Kingdom
NOVO NORDISK A/S-B	MANUFACTURING	1.22 %	Denmark
NVIDIA CORP	MANUFACTURING	1.15 %	USA
AMAZON.COM INC	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.13 %	USA
ALLIANZ COMMODITIES-I EUR	N/A	1.03 %	Luxembourg
X MSCI MEXICO 1C	N/A	1.03 %	Germany
ALPHABET INC-CL A	INFORMATION AND COMMUNICATION	0.93 %	USA

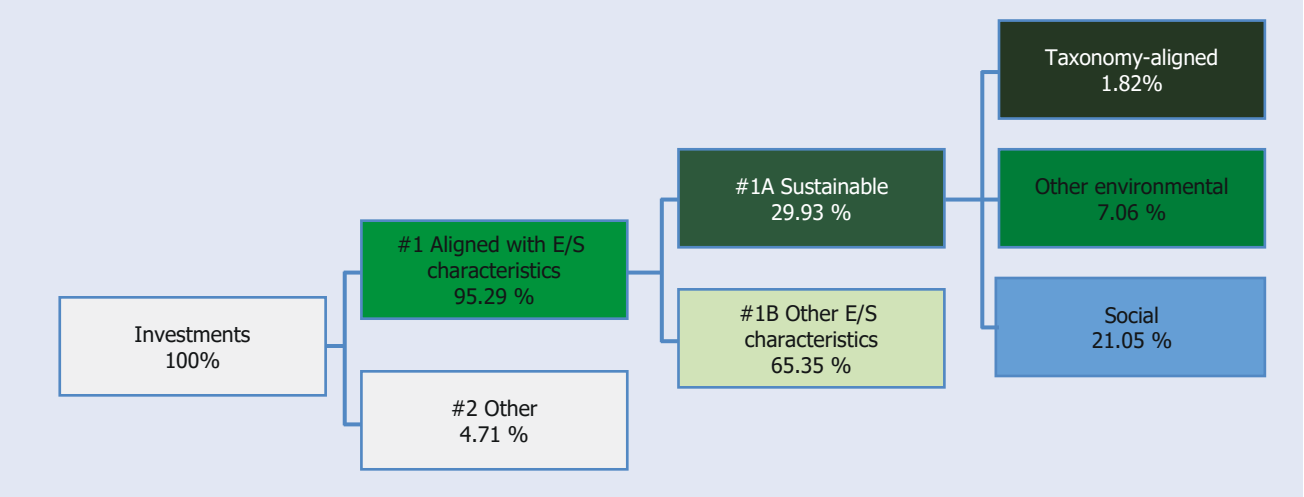
What was the proportion of sustainability-related invetsments?

Sustainability-related investments refer to all investments that contribute to the achievement of the environmental and/or social characteristics within the scope of the investment strategy. The majority of the Sub-Fund's assets were used to meet the environmental or social characteristics promoted by this Sub-Fund. A low portion of the Sub-Fund contained assets which did not promote environmental or social characteristics. Examples of such instruments are derivatives, cash and deposits, some Target Funds and investment with temporarily divergent or absent environmental, social, or good governance qualifications.

Asset allocation describes the share of investments in specific assets.

- What was the asset allocation?

Some business activities may contribute to more than one sustainable sub-category (social, taxonomy aligned or other environmental). This can lead to situations, in which the sum of the sustainable sub-categories does not match to overall number of the sustainable category. Nonetheless, no double counting is possible on the sustainable investment overall category.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- In which economic sectors were the investments made?

The table below shows the shares of the Sub-Fund's investments in various sectors and subsectors at the end of the financial year. The analysis is based on the NACE classification of the economic activities of the company or issuer of the securities in which the financial product is invested. In case of the investments in target funds, a look-through approach is applied so that the sector and sub-sector affiliations of the underlying assets of the target funds are taken into account to ensure transparency on the sector exposure of the financial product.
The reporting of sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council is currently not possible, as the evaluation includes only NACE classification level I and II. The fossil fuels activities mentioned above are considered aggregated with other activities under sub-sectors B5, B6, B9, C28, D35 and G46.

	Sector / Sub-sector	% Assets
A	**AGRICULTURE, FORESTRY AND FISHING**	**0.02 %**
A01	Crop and animal production, hunting and related service activities	0.01 %
A03	Fishing and aquaculture	0.01 %
B	**MINING AND QUARRYING**	**1.02 %**
B06	Extraction of crude petroleum and natural gas	0.40 %
B07	Mining of metal ores	0.58 %
B08	Other mining and quarrying	0.02 %
B09	Mining support service activities	0.01 %
C	**MANUFACTURING**	**29.63 %**
C10	Manufacture of food products	1.25 %
C11	Manufacture of beverages	1.39 %

C13	Manufacture of textiles	0.01 %
C14	Manufacture of wearing apparel	0.16 %
C15	Manufacture of leather and related products	0.47 %
C16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0.28 %
C17	Manufacture of paper and paper products	0.12 %
C19	Manufacture of coke and refined petroleum products	0.54 %
C20	Manufacture of chemicals and chemical products	2.84 %
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	6.21 %
C22	Manufacture of rubber and plastic products	0.21 %
C23	Manufacture of other non-metallic mineral products	0.97 %
C24	Manufacture of basic metals	0.58 %
C25	Manufacture of fabricated metal products, except machinery and equipment	0.11 %
C26	Manufacture of computer, electronic and optical products	7.27 %
C27	Manufacture of electrical equipment	0.75 %
C28	Manufacture of machinery and equipment n.e.c.	2.39 %
C29	Manufacture of motor vehicles, trailers and semi-trailers	3.30 %
C30	Manufacture of other transport equipment	0.35 %
C31	Manufacture of furniture	0.08 %
C32	Other manufacturing	0.37 %
C33	Repair and installation of machinery and equipment	0.00 %
D	**ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY**	**2.90 %**
D35	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.90 %
E	**WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES**	**0.15 %**
E36	Water collection, treatment and supply	0.02 %
E37	Sewerage	0.12 %
E38	Waste collection, treatment and disposal activities; materials recovery	0.02 %
F	**CONSTRUCTION**	**1.95 %**
F41	Construction of buildings	1.02 %
F42	Civil engineering	0.90 %
F43	Specialised construction activities	0.03 %
G	**WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES**	**7.05 %**
G45	Wholesale and retail trade and repair of motor vehicles and motorcycles	0.02 %
G46	Wholesale trade, except of motor vehicles and motorcycles	1.78 %
G47	Retail trade, except of motor vehicles and motorcycles	5.24 %
H	**TRANSPORTATION AND STORAGE**	**1.40 %**
H49	Land transport and transport via pipelines	0.27 %
H50	Water transport	0.39 %
H51	Air transport	0.27 %
H52	Warehousing and support activities for transportation	0.24 %
H53	Postal and courier activities	0.22 %
I	**ACCOMMODATION AND FOOD SERVICE ACTIVITIES**	**0.30 %**
I55	Accommodation	0.16 %
I56	Food and beverage service activities	0.13 %

J	**INFORMATION AND COMMUNICATION**	**11.93 %**
J58	Publishing activities	4.37 %
J59	Motion picture, video and television programme production, sound recording and music publishing activities	0.15 %
J60	Programming and broadcasting activities	0.77 %
J61	Telecommunications	2.82 %
J62	Computer programming, consultancy and related activities	1.16 %
J63	Information service activities	2.65 %
K	**FINANCIAL AND INSURANCE ACTIVITIES**	**22.96 %**
K64	Financial service activities, except insurance and pension funding	18.44 %
K65	Insurance, reinsurance and pension funding, except compulsory social security	2.56 %
K66	Activities auxiliary to financial services and insurance activities	1.96 %
L	**REAL ESTATE ACTIVITIES**	**0.90 %**
L68	REAL ESTATE ACTIVITIES	0.90 %
M	**PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**	**1.25 %**
M69	Legal and accounting activities	0.22 %
M70	Activities of head offices; management consultancy activities	0.09 %
M71	Architectural and engineering activities; technical testing and analysis	0.19 %
M72	Scientific research and development	0.47 %
M73	Advertising and market research	0.04 %
M74	Other professional, scientific and technical activities	0.00 %
M75	Veterinary activities	0.23 %
N	**ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES**	**0.65 %**
N77	Rental and leasing activities	0.27 %
N78	Employment activities	0.13 %
N79	Travel agency, tour operator and other reservation service and related activities	0.02 %
N80	Security and investigation activities	0.06 %
N81	Services to buildings and landscape activities	0.04 %
N82	Office administrative, office support and other business support activities	0.13 %
O	**PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY**	**12.85 %**
O84	Public administration and defence; compulsory social security, from which:	12.85 %
O84.1	Administration of the State and the economic and social policy of the community	12.85 %
P	**EDUCATION**	**0.01 %**
P85	EDUCATION	0.01 %
Q	**HUMAN HEALTH AND SOCIAL WORK ACTIVITIES**	**0.69 %**
Q86	Human health activities	0.69 %
R	**ARTS, ENTERTAINMENT AND RECREATION**	**0.07 %**
R92	Gambling and betting activities	0.01 %
R93	Sports activities and amusement and recreation activities	0.06 %
S	**OTHER SERVICE ACTIVITIES**	**0.06 %**
S96	Other personal service activities	0.06 %
U	**ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES**	**2.24 %**
U99	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	2.24 %

Other	**NOT SECTORIZED**	**2.00 %**

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

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Taxonomy-aligned investments included debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-Taxonomy. Taxonomy-aligned data is provided by an external data provider. Taxonomy-aligned data was, only in rare cases, data reported by companies in accordance with the EU Taxonomy. The data provider derived Taxonomy-aligned data from other available equivalent company data.

The data were not subject to an assurance provided by auditors or a review by third parties.

The data does not reflect any data in government bonds. As of today, there is no recognized methodology available to determine the proportion of Taxonomy-aligned activities when investing in government bonds.

The share of investments in sovereigns was 15.51 % (calculated based on look-through approach).

As of the reporting date Taxonomy-aligned activities in this disclosure are based on share of turnover. Pre-contractual figures use turnover as its financial metric as a default in line with the regulatory requirements and based on the fact that complete, verifiable or up-to date data for CAPEX and/or OPEX as financial metric is even less available . Therefore, the corresponding values for CAPEX and OPEX are displayed as zero.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

☐ Yes

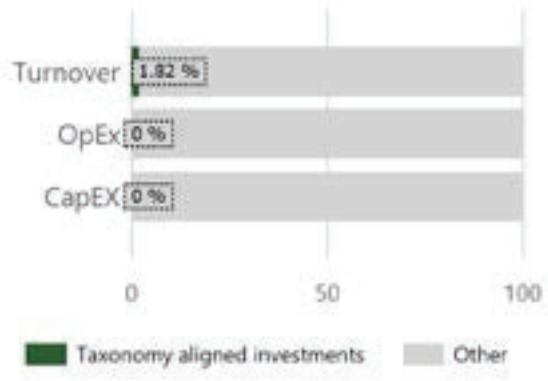
☐ In fossil gas ☐ In nuclear energy

☒ No

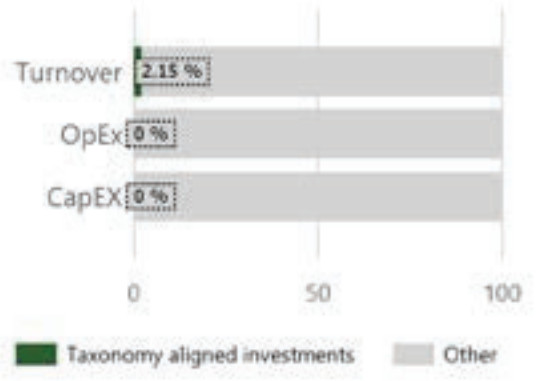
The breakdown of the shares of investments by environmental objectives in fossil gas and in nuclear energy is not possible at present, as the data is not yet available in verified form.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Climate change mitigation	0.00 %
Climate change adaptation	0.00 %

It is currently not possible to break down the shares of investments by environmental objectives, as the data is not yet available in a verified form.

- What was the share of investments made in transitional and enabling activities?

Transitional activities	0.00 %
Enabling activities	0.00 %

The Sub-Fund's Investment Manager has not committed to a split of minimum taxonomy alignment into transitional, enabling activities and own performance. Currently the Investment Manager does not have complete, verifiable and up-to-date data to review all investments with respect to the technical assessment criteria for enabling and transitional activities as set out in the Taxonomy Regulation. Therefore, the corresponding values on the enabling and transitional activities are stated as 0%. Non-financial undertakings will disclose information on the taxonomy-alignment of their economic activities in the form of pre-defined KPIs, indicating to which environmental objective activities contribute and whether it is a transitional or enabling economic activity, only starting from 01 January 2023 (financial undertakings - from 01 January 2024). This information is a mandatory basis for this evaluation.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 7.06 %.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 21.05 %.



What investments were included under "#2 Other", what is their purpose and were there any minimum environmental or social safeguards?

Under «#2 Other» investments which were included were Cash, share of non-sustainable investments of Targets Funds, or Derivatives (calculation was based on a look-through approach). Derivatives were used for efficient portfolio management (including risk hedging) and/or investment purposes, and Target Funds to benefit from a specific strategy. There were no minimum environmental or social safeguards applied to these investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To ensure that the Sub-Fund fulfils its environmental and social characteristics, the binding elements were defined as assessment criteria. The adherence to binding elements was measured with the help of sustainability indicators. For each sustainability indicator, a methodology, based on different data sources, has been set up to ensure accurate measurement and reporting of the indicators. To provide for actual underlying data, the Sustainable Minimum Exclusion list was updated at least twice per year by the Sustainability Team and based on external data sources.

Technical control mechanisms have been introduced for monitoring the adherence to the binding elements in pre- and post-trade compliance systems. These mechanisms served to guarantee constant compliance with the environmental and social characteristics of the Sub-Fund. In case of identified breaches, corresponding measures were performed to address the breaches. Example of such measures are disposal of securities which are not in line with the exclusion criteria or engagement with the issuers (in case of direct investments in companies). These mechanisms are an integral part of the PAI consideration process.

In addition, AllianzGI engages with investee companies. The engagement activities were performed only in relation to direct investments. It is not guaranteed that the engagement conducted includes issuers held by every fund. The Investment Manager's engagement strategy rests on 2 pillars: (1) risk-

based approach and (2) thematic approach.

The risk-based approach focuses on the material ESG risks identified. Engagements are closely related to the size of exposure. Significant votes against company management at past general meetings, controversies connected to sustainability or governance and other sustainability issues are in the focus of the engagement with investee companies

The thematic approach focuses on one of the three AllianzGI's strategic sustainability themes- climate change, planetary boundaries, and inclusive capitalism- or to governance themes within specific markets. Thematic engagements were identified based on topics deemed important for portfolio investments and were prioritized based on the size of AllianzGI´s holdings and considering the priorities of clients.



How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- How did the reference benchmark differ from a broad market index?

  Not applicable

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  Not applicable

- How did this financial product perform compared with the reference benchmark?

  Not applicable

- How did this financial product perform compared with the broad market index?

  Not applicable

Product name:
Allianz Europe Equity Growth

Legal entity identifier: 549300N3S28ICP3HG051

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ It made **sustainable investments with an environmental objective**: _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 42.38% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Allianz Europe Equity Growth (the «Sub-Fund») was managed according to the Sustainability Key Performance Indicator Strategy (Relative) («KPI Strategy (Relative)») and promoted environmental characteristics by addressing greenhouse gas (GHG) Intensity. The «Sustainability KPI» measured the GHG Intensity defined by the weighted average intensity of greenhouse gas emissions based on company`s annual sales («GHG Intensity»). GHG Intensity was addressed by outperforming the Weighted Average GHG Intensity of the Sub-Fund against its benchmark. Until the 28.09.2023 the Sub-Fund promoted environmental characteristics through integrating the transition to a low carbon economy of the top 10 carbon emitting issuers as part of the Climate Engagement with Outcome Strategy (CEWO-Strategy).
In addition, sustainable minimum exclusion criteria were applied.
A reference benchmark had been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- How did the sustainability indicators perform?

  To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and performed as follows:
  Sustainability-indicators of the CEWO-Strategy as of 28.09.2023:
  - The response rate (companies replied to the engagement questionnaire) of engagement with the top 15 emitters was 100% (the top 10 carbon emitting issuers are determined periodically. Over the reference dates Q4/2020, Q1/2022 and Q1/2023 the 15 emitters were identified)
  - The change of the carbon footprint of the top 15 (for which the relevant information is available both for the base and reference years) emitters compared to the base year was -19,5% (CO_2 emissions of the year 2019 compared to 2021).
  - In case of investments in sovereign issuers, all sovereigns were evaluated by an SRI Rating.
  Sustainability-indicators of the KPI Strategy as of 30.09.2023:

- The actual percentage of KPI coverage of the Sub-Fund's Portfolio (Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e. g., cash and deposits)) was 99.35 %
- The actual weighted average GHG Intensity portfolio vs weighted average GHG Intensity of the benchmark was 76.88 %

- The Principal Adverse Impacts (PAIs) of investment decisions on sustainability factors were considered through the adherence to the exclusion criteria applied for direct investments. The following sustainable minimum exclusion criteria for direct investments were applied:
- securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues,
- securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
- securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services,
- securities issued by companies that derive more than 10% of their revenue from thermal coal extraction,
- securities issued by utility companies that generate more than 20% of their revenues from coal,
- securities issued by companies involved in the production of tobacco, and securities issued by companies involved in the distribution of tobacco with more than 5% of their revenues.

Direct investments in sovereign issuers with an insufficient freedom house index score were excluded.

The sustainable minimum exclusion criteria are based on information from an external data provider and coded in pre- and post-trade compliance. The review was performed at least half yearly.

- What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Investments contributed to environmental and/or social objectives, for which the Investment Managers used as reference frameworks, among others, the UN Sustainable Development Goals (SDGs), as well as the objectives of the EU Taxonomy.
The assessment of the positive contribution to the environmental or social objectives was based on a proprietary framework which combined quantitative elements with qualitative inputs from internal research. The methodology applies first a quantitative breakdown of a securities issuer into its business activities. The qualitative element of the framework is an assessment if business activities contribute positively to an environmental or a social objective.
The positive contribution on the Sub-Fund level was calculated by considering the revenue share of each issuer attributable to business activities which contributed to environmental and/or social objectives, provided the issuer satisfied the Do No Significant Harm («DNSH») and Good Governance principles. In the second step, asset-weighted aggregation was performed. Moreover, for certain types of securities, which finance specific projects contributing to environmental or social objectives, the overall investment was considered to contribute to environmental and/or social objectives. Further, in these cases, a DNSH as well as a Good Governance check for issuers was performed.

- How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that Sustainable Investments did not significantly harm any other environmental and/or social objective, the Investment Manager of the Sub-Fund leveraged the PAI indicators, whereby significance thresholds have been defined to identify significantly harmful issuers. Issuers not meeting the significance thresholds might have been engaged for a limited period to remediate the adverse impact. Otherwise, if the issuer did not meet the defined significance thresholds twice subsequently or in case of a failed engagement, it did not pass the DNSH assessment. Investments in securities of issuers which did not pass the DNSH assessment were

not counted as sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

PAI indicators were considered either as part of the application of the exclusion criteria or through thresholds on a sectorial or absolute basis. Significance thresholds have also been defined referring to qualitative or quantitative criteria.

Recognising the lack of data coverage for some of the PAI indicators, equivalent data points were used, when relevant, to assess PAI indicators when applying the DNSH assessment for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity investee and countries subject to social violations. In case of securities which finance specific projects contributing to environmental or social objectives equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective

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

The Investment Manager´s sustainable minimum exclusion list screened out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as securities issued by companies having a severe violation of these frameworks were restricted from investment universe.

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 Union criteria.
The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

The Management Company joined the Net Zero Asset Manager Initiative and considered PAI indicators through stewardship including engagement, both of which were relevant to mitigate potential adverse impact as a company.

Due to the commitment to the Net Zero Asset Manager Initiative, the Management Company aims to reduce greenhouse gas emissions in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emission by 2050 or sooner across all assets under management. As part of this objective the Management Company had set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner.

The Sub-Fund's Investment Manager considered PAI indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, the freedom house index was applied to investments in sovereigns. PAI indicators were considered within the Investment Manager's investment process through the means of exclusions as described in the sustainability indicator section.

Moreover, the data coverage for the data required for the PAI indicators were heterogenous. The data coverage related to biodiversity, water and waste is low and the related PAI indicators were considered through exclusion of securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues.
Additionally, the Investment Manager considers GHG related PAI indicators by outperforming the Weighted Average GHG Intensity against its benchmark.
The following PAI indicators were considered:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Board gender diversity
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- Investee countries subject to social violations



What were the top investments of this financial product?

During the reference period, the majority of the investments of the financial product contained equity, debt and / or target funds. A portion of the financial product contained assets which did not promote environmental or social characteristics. Examples of such assets are derivatives, cash and deposits. As these assets were not used to attain the environmental or social characteristics promoted by the financial product, they were excluded from the determination of top investments. The main investments are the investments with the largest weight in the financial product. The weight is calculated as an average over the four valuation dates. The valuation dates are the reporting date and the last day of every third month for nine months backwards from the reporting date.
For transparency purposes for the investments falling under the NACE sector «Public administration and defence; compulsory social security», the more detailed (sub- sector level) classification is displayed in order to differentiate between the investments which relate to sub-sectors «Administration of the State and the economic and social policy of the community», «Provision of services to the community as a whole» (which includes, among others, defence activities) and «Compulsory social security activities».
No direct sector allocation is possible for investments in target funds, as a target fund may invest in securities of issuers from different sectors.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022-30/09/2023

Largest investment	Sector	% Assets	Country
ASML HOLDING NV	MANUFACTURING	9.06 %	Netherlands
NOVO NORDISK A/S-B	MANUFACTURING	7.28 %	Denmark
DSV A/S	TRANSPORTATION AND STORAGE	6.70 %	Denmark
SIKA AG-REG	MANUFACTURING	4.53 %	Switzerland
LVMH MOET HENNESSY LOUIS VUI	MANUFACTURING	4.40 %	France
INFINEON TECHNOLOGIES AG	MANUFACTURING	4.25 %	Germany
ATLAS COPCO AB-A SHS	MANUFACTURING	3.38 %	Sweden
L'OREAL	MANUFACTURING	3.19 %	France
ASSA ABLOY AB-B	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	2.96 %	Sweden
PARTNERS GROUP HOLDING AG	FINANCIAL AND INSURANCE ACTIVITIES	2.86 %	Switzerland
ADIDAS AG	MANUFACTURING	2.69 %	Germany

What was the proportion of sustainability-related invetsments?

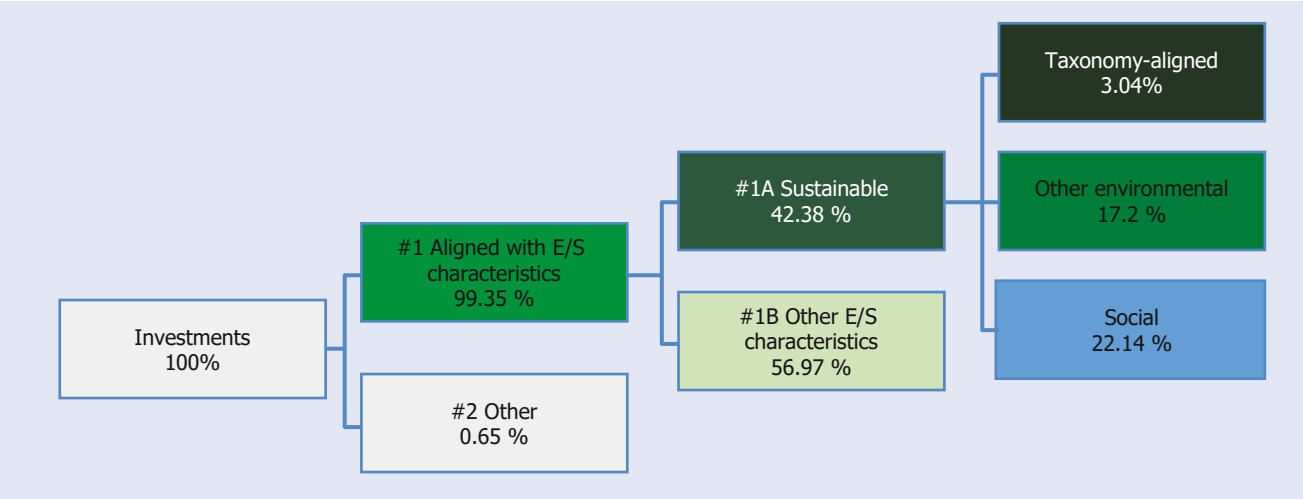
Sustainability-related investments refer to all investments that contribute to the achievement of the

environmental and/or social characteristics within the scope of the investment strategy. The majority of the Sub-Fund's assets were used to meet the environmental or social characteristics promoted by this Sub-Fund. A low portion of the Sub-Fund contained assets which did not promote environmental or social characteristics. Examples of such instruments are derivatives, cash and deposits, some Target Funds and investment with temporarily divergent or absent environmental, social, or good governance qualifications.

Asset allocation describes the share of investments in specific assets.

- What was the asset allocation?

Some business activities may contribute to more than one sustainable sub-category (social, taxonomy aligned or other environmental). This can lead to situations, in which the sum of the sustainable sub-categories does not match to overall number of the sustainable category. Nonetheless, no double counting is possible on the sustainable investment overall category.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- In which economic sectors were the investments made?

The table below shows the shares of the Sub-Fund's investments in various sectors and subsectors at the end of the financial year. The analysis is based on the NACE classification of the economic activities of the company or issuer of the securities in which the financial product is invested. In case of the investments in target funds, a look-through approach is applied so that the sector and sub-sector affiliations of the underlying assets of the target funds are taken into account to ensure transparency on the sector exposure of the financial product.
The reporting of sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council is currently not possible, as the evaluation includes only NACE classification level I and II. The fossil fuels activities mentioned above are considered aggregated with other activities under sub-sectors B5, B6, B9, C28, D35 and G46.

	Sector / Sub-sector	% Assets
C	**MANUFACTURING**	**71.27 %**
C10	Manufacture of food products	2.37 %
C14	Manufacture of wearing apparel	4.19 %
C15	Manufacture of leather and related products	2.90 %
C20	Manufacture of chemicals and chemical products	10.66 %
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	9.70 %
C22	Manufacture of rubber and plastic products	2.58 %
C25	Manufacture of fabricated metal products, except machinery and equipment	5.14 %
C26	Manufacture of computer, electronic and optical products	11.23 %
C28	Manufacture of machinery and equipment n.e.c.	17.39 %
C30	Manufacture of other transport equipment	0.37 %
C31	Manufacture of furniture	0.74 %
C32	Other manufacturing	4.01 %
G	**WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES**	**1.94 %**
G47	Retail trade, except of motor vehicles and motorcycles	1.94 %
H	**TRANSPORTATION AND STORAGE**	**6.91 %**
H52	Warehousing and support activities for transportation	6.91 %
J	**INFORMATION AND COMMUNICATION**	**9.95 %**
J58	Publishing activities	4.16 %
J62	Computer programming, consultancy and related activities	4.57 %
J63	Information service activities	1.22 %
K	**FINANCIAL AND INSURANCE ACTIVITIES**	**4.37 %**
K66	Activities auxiliary to financial services and insurance activities	4.37 %
M	**PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**	**1.37 %**
M72	Scientific research and development	1.37 %
N	**ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES**	**3.74 %**
N80	Security and investigation activities	2.94 %
N81	Services to buildings and landscape activities	0.80 %
Other	**NOT SECTORIZED**	**0.44 %**



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

The Taxonomy-aligned investments included debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-Taxonomy. Taxonomy-aligned data is provided by an external data provider. Taxonomy-aligned data was, only in rare cases, data reported by companies in accordance with the EU Taxonomy. The data provider derived Taxonomy-aligned data from other available equivalent company data.

The data were not subject to an assurance provided by auditors or a review by third parties.

The data does not reflect any data in government bonds. As of today, there is no recognized methodology available to determine the proportion of Taxonomy-aligned activities when investing in government bonds.

The share of investments in sovereigns was 0 % (calculated based on look-through approach).

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

As of the reporting date Taxonomy-aligned activities in this disclosure are based on share of turnover. Pre-contractual figures use turnover as its financial metric as a default in line with the regulatory requirements and based on the fact that complete, verifiable or up-to date data for CAPEX and/or OPEX as financial metric is even less available . Therefore, the corresponding values for CAPEX and OPEX are displayed as zero.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

☐ Yes

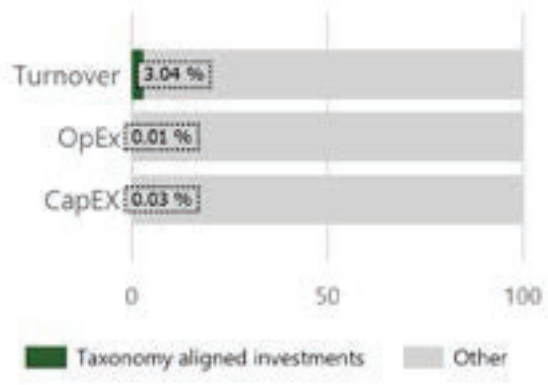
☐ In fossil gas ☐ In nuclear energy

☒ No

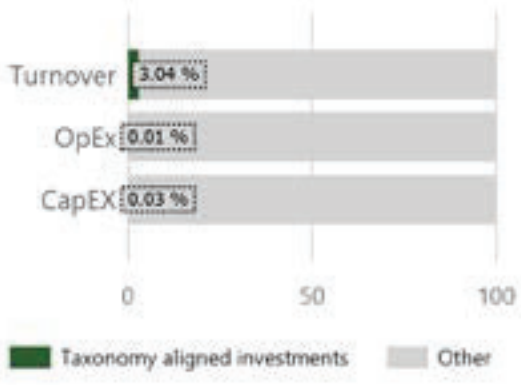
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The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation 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.*

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Climate change mitigation	0.00 %
Climate change adaptation	0.00 %

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

It is currently not possible to break down the shares of investments by environmental objectives, as the data is not yet available in a verified form.

- What was the share of investments made in transitional and enabling activities?

Transitional activities	0.00 %
Enabling activities	0.00 %

The Sub-Fund's Investment Manager has not committed to a split of minimum taxonomy alignment into transitional, enabling activities and own performance. Currently the Investment Manager does not have complete, verifiable and up-to-date data to review all investments with respect to the technical assessment criteria for enabling and transitional activities as set out in the Taxonomy Regulation. Therefore, the corresponding values on the enabling and transitional activities are stated as 0%. Non-financial undertakings will disclose information on the taxonomy-alignment of their economic activities in the form of pre-defined KPIs, indicating to which environmental objective activities contribute and whether it is a transitional or enabling economic activity, only starting from 01 January 2023 (financial undertakings - from 01 January 2024). This information is a mandatory basis for this evaluation.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 17.2 %.

What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 22.14 %.

What investments were included under "#2 Other", what is their purpose and were there any minimum environmental or social safeguards?

Under «#2 Other» investments which were included were Cash, share of non-sustainable investments of Targets Funds, or Derivatives (calculation was based on a look-through approach). Derivatives were used for efficient portfolio management (including risk hedging) and/or investment purposes, and Target Funds to benefit from a specific strategy. There were no minimum environmental or social safeguards applied to these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To ensure that the Sub-Fund fulfils its environmental and social characteristics, the binding elements were defined as assessment criteria. The adherence to binding elements was measured with the help of sustainability indicators. For each sustainability indicator, a methodology, based on different data sources, has been set up to ensure accurate measurement and reporting of the indicators. To provide for actual underlying data, the Sustainable Minimum Exclusion list was updated at least twice per year by the Sustainability Team and based on external data sources.

Technical control mechanisms have been introduced for monitoring the adherence to the binding elements in pre- and post-trade compliance systems. These mechanisms served to guarantee constant compliance with the environmental and social characteristics of the Sub-Fund. In case of identified breaches, corresponding measures were performed to address the breaches. Example of such measures are disposal of securities which are not in line with the exclusion criteria or engagement with the issuers (in case of direct investments in companies). These mechanisms are an integral part of the PAI consideration process.

In addition, AllianzGI engages with investee companies. The engagement activities were performed only in relation to direct investments. It is not guaranteed that the engagement conducted includes issuers held by every fund. The Investment Manager's engagement strategy rests on 2 pillars: (1) risk-based approach and (2) thematic approach.

The risk-based approach focuses on the material ESG risks identified. Engagements are closely related to the size of exposure. Significant votes against company management at past general meetings, controversies connected to sustainability or governance and other sustainability issues are in the focus of the engagement with investee companies

The thematic approach focuses on one of the three AllianzGI's strategic sustainability themes- climate change, planetary boundaries, and inclusive capitalism- or to governance themes within specific markets. Thematic engagements were identified based on topics deemed important for portfolio investments and were prioritized based on the size of AllianzGI´s holdings and considering the priorities of clients.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- How did the reference benchmark differ from a broad market index?

  Not applicable

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  Not applicable

- How did this financial product perform compared with the reference benchmark?

  Not applicable

- How did this financial product perform compared with the broad market index?

  Not applicable

Product name:
Allianz Thematica

Legal entity identifier: 5493004ZRV2CSS15YF05

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ It made **sustainable investments with an environmental objective**: _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 47.56% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Allianz Thematica (the «Sub-Fund») was managed according to the Sustainability Key Performance Indicator Strategy (Absolute Threshold) («KPI Strategy (Absolute Threshold)») which targets a specific minimum allocation into Sustainable Investments. Sustainable investments are investments in economic activities which contribute to environmental and/or social objectives, for which the Investment Managers uses as reference frameworks the UN Sustainable Development Goals (SDGs), as well as the objectives of the EU Taxonomy.
Furthermore, the Sub-Fund limited its allocation into issuers which significantly harm environmental and/or social objectives.
Until the 28.09.2023 the Sub-Fund promoted environmental characteristics through integrating the transition to a low carbon economy of the top 10 carbon emitting issuers as part of the Climate Engagement with Outcome Strategy (CEWO-Strategy).
In addition, sustainable minimum exclusion criteria were applied.
No reference benchmark had been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- How did the sustainability indicators perform?

  To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and performed as follows:
  Sustainability-indicators of the CEWO-Strategy as of 28.09.2023:
  - The response rate (companies replied to the engagement questionnaire) of engagement with the top 21 emitters was 100% (the top 10 carbon emitting issuers are determined periodically. Over the reference dates Q4/2020, Q1/2022 and Q1/2023 the 21 emitters were identified)
  - The change of the carbon footprint of the top 21 (for which the relevant information is available both for the base and reference years) emitters compared to the base year was -12,7% (CO_2 emissions of the year 2019 compared to 2021).

- In case of investments in sovereign issuers, all sovereigns were evaluated by an SRI Rating.
Sustainability-indicators of the KPI Strategy as of 30.09.2023:
- The actual percentage of KPI coverage of the Sub-Fund's Portfolio (Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e. g., cash and deposits)) was 95.65 %.
- The actual weighted average sustainable investment share of Sub-Fund Assets was 47.56 %.
- The actual share of investments not satisfying the Do No Significant Harm («DNSH») assessment of Sub-Fund Assets was 6.01 %.

- The Principal Adverse Impacts (PAIs) of investment decisions on sustainability factors were considered through the adherence to the exclusion criteria applied for direct investments. The following sustainable minimum exclusion criteria for direct investments were applied:
- securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues,
- securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
- securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services,
- securities issued by companies that derive more than 10% of their revenue from thermal coal extraction,
- securities issued by utility companies that generate more than 20% of their revenues from coal,
- securities issued by companies involved in the production of tobacco, and securities issued by companies involved in the distribution of tobacco with more than 5% of their revenues.

Direct investments in sovereign issuers with an insufficient freedom house index score were excluded.

The sustainable minimum exclusion criteria are based on information from an external data provider and coded in pre- and post-trade compliance. The review was performed at least half yearly.

- What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Investments contributed to environmental and/or social objectives, for which the Investment Managers used as reference frameworks, among others, the UN Sustainable Development Goals (SDGs), as well as the objectives of the EU Taxonomy.
The assessment of the positive contribution to the environmental or social objectives was based on a proprietary framework which combined quantitative elements with qualitative inputs from internal research. The methodology applies first a quantitative breakdown of a securities issuer into its business activities. The qualitative element of the framework is an assessment if business activities contribute positively to an environmental or a social objective.
The positive contribution on the Sub-Fund level was calculated by considering the revenue share of each issuer attributable to business activities which contributed to environmental and/or social objectives, provided the issuer satisfied the Do No Significant Harm («DNSH») and Good Governance principles. In the second step, asset-weighted aggregation was performed. Moreover, for certain types of securities, which finance specific projects contributing to environmental or social objectives, the overall investment was considered to contribute to environmental and/or social objectives. Further, in these cases, a DNSH as well as a Good Governance check for issuers was performed.

- How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that Sustainable Investments did not significantly harm any other environmental and/or social objective, the Investment Manager of the Sub-Fund leveraged the PAI indicators, whereby significance thresholds have been defined to identify significantly harmful issuers. Issuers not meeting the significance thresholds might have been engaged for a limited period to remediate the adverse impact. Otherwise, if the issuer did not meet the defined significance

thresholds twice subsequently or in case of a failed engagement, it did not pass the DNSH assessment. Investments in securities of issuers which did not pass the DNSH assessment were not counted as sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

PAI indicators were considered either as part of the application of the exclusion criteria or through thresholds on a sectorial or absolute basis. Significance thresholds have also been defined referring to qualitative or quantitative criteria.

Recognising the lack of data coverage for some of the PAI indicators, equivalent data points were used, when relevant, to assess PAI indicators when applying the DNSH assessment for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity investee and countries subject to social violations. In case of securities which finance specific projects contributing to environmental or social objectives equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective

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

The Investment Manager´s sustainable minimum exclusion list screened out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as securities issued by companies having a severe violation of these frameworks were restricted from investment universe.

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 Union criteria.
The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Management Company joined the Net Zero Asset Manager Initiative and considered PAI indicators through stewardship including engagement, both of which were relevant to mitigate potential adverse impact as a company.

Due to the commitment to the Net Zero Asset Manager Initiative, the Management Company aims to reduce greenhouse gas emissions in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emission by 2050 or sooner across all assets under management. As part of this objective the Management Company had set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner.

The Sub-Fund's Investment Manager considered PAI indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, the freedom house index was applied to investments in sovereigns. PAI indicators were considered within the Investment Manager's investment process through the means of exclusions as described in the sustainability indicator section.

Moreover, the data coverage for the data required for the PAI indicators were heterogenous. The data coverage related to biodiversity, water and waste is low and the related PAI indicators were considered through exclusion of securities issued by companies having a severe violation / breach of principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues.
Additionally, the Investment Manager considered PAI indicators by limiting its allocation into issuers

which significantly harm environmental and/or social objectives.
The following PAI indicators were considered:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Board gender diversity
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- Investee countries subject to social violations



What were the top investments of this financial product?

During the reference period, the majority of the investments of the financial product contained equity, debt and / or target funds. A portion of the financial product contained assets which did not promote environmental or social characteristics. Examples of such assets are derivatives, cash and deposits. As these assets were not used to attain the environmental or social characteristics promoted by the financial product, they were excluded from the determination of top investments. The main investments are the investments with the largest weight in the financial product. The weight is calculated as an average over the four valuation dates. The valuation dates are the reporting date and the last day of every third month for nine months backwards from the reporting date.
For transparency purposes for the investments falling under the NACE sector «Public administration and defence; compulsory social security», the more detailed (sub- sector level) classification is displayed in order to differentiate between the investments which relate to sub-sectors «Administration of the State and the economic and social policy of the community», «Provision of services to the community as a whole» (which includes, among others, defence activities) and «Compulsory social security activities».
No direct sector allocation is possible for investments in target funds, as a target fund may invest in securities of issuers from different sectors.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022-30/09/2023

Largest investment	Sector	% Assets	Country
MERCK & CO. INC.	MANUFACTURING	0.90 %	USA
QUANTA SERVICES INC	CONSTRUCTION	0.89 %	USA
RENESAS ELECTRONICS CORP	MANUFACTURING	0.89 %	Japan
FORTINET INC	INFORMATION AND COMMUNICATION	0.82 %	USA
UNITED RENTALS INC	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	0.81 %	USA
XYLEM INC	MANUFACTURING	0.81 %	USA
DEERE & CO	MANUFACTURING	0.81 %	USA
TRACTOR SUPPLY COMPANY	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	0.81 %	USA
PALO ALTO NETWORKS INC	INFORMATION AND COMMUNICATION	0.80 %	USA
OWENS CORNING	MANUFACTURING	0.78 %	USA
VISA INC-CLASS A SHARES	FINANCIAL AND INSURANCE ACTIVITIES	0.78 %	USA
INTUITIVE SURGICAL INC	MANUFACTURING	0.78 %	USA

AGCO CORP	MANUFACTURING	0.77 %	USA
ALIGN TECHNOLOGY INC	MANUFACTURING	0.77 %	USA
ALPHABET INC-CL A	INFORMATION AND COMMUNICATION	0.75 %	USA

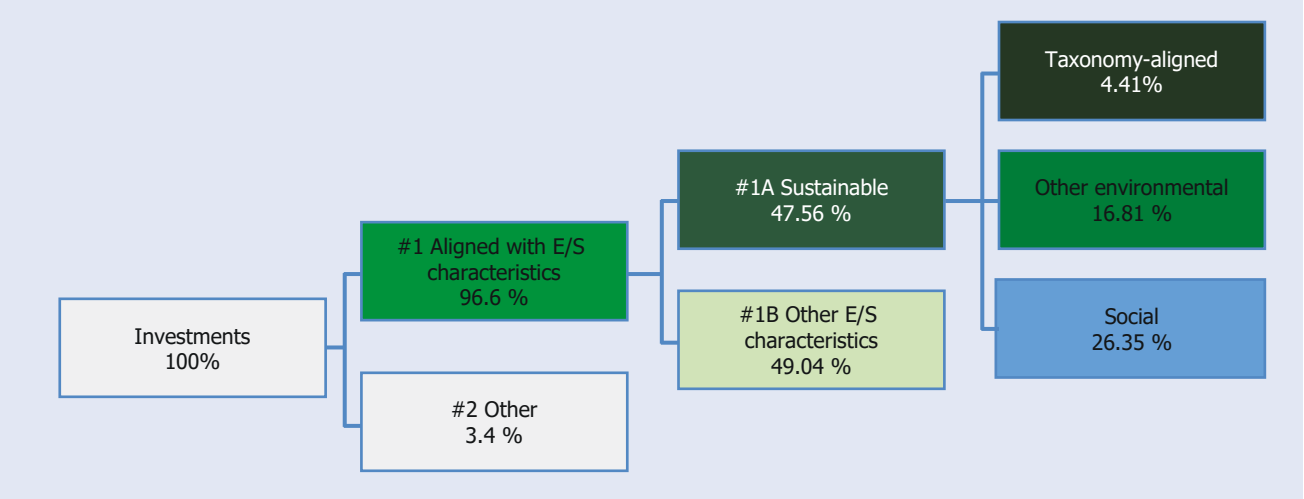
What was the proportion of sustainability-related invetsments?

Sustainability-related investments refer to all investments that contribute to the achievement of the environmental and/or social characteristics within the scope of the investment strategy. The majority of the Sub-Fund's assets were used to meet the environmental or social characteristics promoted by this Sub-Fund. A low portion of the Sub-Fund contained assets which did not promote environmental or social characteristics. Examples of such instruments are derivatives, cash and deposits, some Target Funds and investment with temporarily divergent or absent environmental, social, or good governance qualifications.

Asset allocation describes the share of investments in specific assets.

- What was the asset allocation?

Some business activities may contribute to more than one sustainable sub-category (social, taxonomy aligned or other environmental). This can lead to situations, in which the sum of the sustainable sub-categories does not match to overall number of the sustainable category. Nonetheless, no double counting is possible on the sustainable investment overall category.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- In which economic sectors were the investments made?

The table below shows the shares of the Sub-Fund's investments in various sectors and subsectors at the end of the financial year. The analysis is based on the NACE classification of the economic activities of the company or issuer of the securities in which the financial product is invested. In case of the investments in target funds, a look-through approach is applied so that the sector and sub-sector affiliations of the underlying assets of the target funds are taken into account to ensure transparency on the sector exposure of the financial product.
The reporting of sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council is currently not possible, as the evaluation includes only NACE classification level I and II. The fossil fuels activities mentioned above are considered aggregated with other activities under sub-sectors B5, B6, B9, C28, D35 and G46.

	Sector / Sub-sector	% Assets
B	**MINING AND QUARRYING**	**6.84 %**
B05	Mining of coal and lignite	0.49 %
B06	Extraction of crude petroleum and natural gas	1.36 %
B07	Mining of metal ores	2.38 %
B08	Other mining and quarrying	1.03 %
B09	Mining support service activities	1.57 %
C	**MANUFACTURING**	**51.84 %**
C10	Manufacture of food products	0.99 %
C11	Manufacture of beverages	0.66 %
C14	Manufacture of wearing apparel	0.00 %
C15	Manufacture of leather and related products	0.00 %
C19	Manufacture of coke and refined petroleum products	1.21 %
C20	Manufacture of chemicals and chemical products	2.81 %
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	6.16 %
C22	Manufacture of rubber and plastic products	0.53 %
C23	Manufacture of other non-metallic mineral products	1.98 %
C24	Manufacture of basic metals	3.80 %
C25	Manufacture of fabricated metal products, except machinery and equipment	1.20 %
C26	Manufacture of computer, electronic and optical products	14.32 %
C27	Manufacture of electrical equipment	3.50 %
C28	Manufacture of machinery and equipment n.e.c.	12.00 %
C29	Manufacture of motor vehicles, trailers and semi-trailers	0.53 %
C30	Manufacture of other transport equipment	0.62 %
C31	Manufacture of furniture	0.00 %
C32	Other manufacturing	1.51 %
D	**ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY**	**2.43 %**
D35	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.43 %
E	**WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES**	**2.53 %**
E36	Water collection, treatment and supply	0.65 %
E37	Sewerage	0.62 %
E38	Waste collection, treatment and disposal activities; materials recovery	1.26 %
F	**CONSTRUCTION**	**0.98 %**
F41	Construction of buildings	0.00 %
F43	Specialised construction activities	0.98 %
G	**WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES**	**4.27 %**
G46	Wholesale trade, except of motor vehicles and motorcycles	2.76 %
G47	Retail trade, except of motor vehicles and motorcycles	1.51 %
H	**TRANSPORTATION AND STORAGE**	**1.52 %**
H49	Land transport and transport via pipelines	1.18 %
H52	Warehousing and support activities for transportation	0.34 %
H53	Postal and courier activities	0.00 %
I	**ACCOMMODATION AND FOOD SERVICE ACTIVITIES**	**0.00 %**

I55	Accommodation	0.00 %
I56	Food and beverage service activities	0.00 %
J	**INFORMATION AND COMMUNICATION**	**11.10 %**
J58	Publishing activities	4.41 %
J61	Telecommunications	0.00 %
J62	Computer programming, consultancy and related activities	4.95 %
J63	Information service activities	1.74 %
K	**FINANCIAL AND INSURANCE ACTIVITIES**	**10.72 %**
K64	Financial service activities, except insurance and pension funding	7.35 %
K65	Insurance, reinsurance and pension funding, except compulsory social security	0.63 %
K66	Activities auxiliary to financial services and insurance activities	2.74 %
L	**REAL ESTATE ACTIVITIES**	**0.13 %**
L68	REAL ESTATE ACTIVITIES	0.13 %
M	**PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**	**3.16 %**
M71	Architectural and engineering activities; technical testing and analysis	0.64 %
M72	Scientific research and development	1.28 %
M73	Advertising and market research	0.65 %
M75	Veterinary activities	0.59 %
N	**ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES**	**1.11 %**
N77	Rental and leasing activities	0.90 %
N79	Travel agency, tour operator and other reservation service and related activities	0.00 %
N80	Security and investigation activities	0.21 %
R	**ARTS, ENTERTAINMENT AND RECREATION**	**0.00 %**
R90	Creative, arts and entertainment activities	0.00 %
R92	Gambling and betting activities	0.00 %
Other	**NOT SECTORIZED**	**3.37 %**



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

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Taxonomy-aligned investments included debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-Taxonomy. Taxonomy-aligned data is provided by an external data provider. Taxonomy-aligned data was, only in rare cases, data reported by companies in accordance with the EU Taxonomy. The data provider derived Taxonomy-aligned data from other available equivalent company data.

The data were not subject to an assurance provided by auditors or a review by third parties.

The data does not reflect any data in government bonds. As of today, there is no recognized methodology available to determine the proportion of Taxonomy-aligned activities when investing in government bonds.

The share of investments in sovereigns was 0 % (calculated based on look-through approach).

As of the reporting date Taxonomy-aligned activities in this disclosure are based on share of turnover. Pre-contractual figures use turnover as its financial metric as a default in line with the regulatory requirements and based on the fact that complete, verifiable or up-to date data for CAPEX and/or OPEX as financial metric is even less available . Therefore, the corresponding values for CAPEX and OPEX are displayed as zero.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

☐ Yes

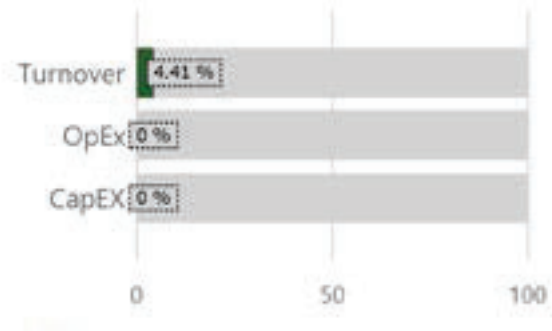
☐ In fossil gas ☐ In nuclear energy

☒ No

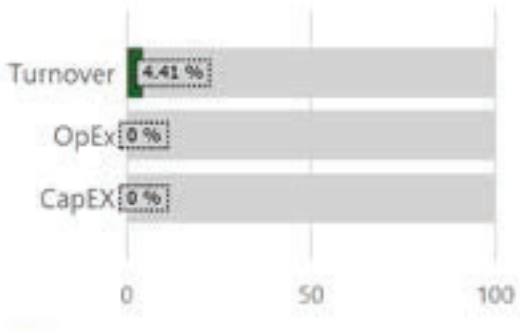
The breakdown of the shares of investments by environmental objectives in fossil gas and in nuclear energy is not possible at present, as the data is not yet available in verified form.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Climate change mitigation	0.00 %
Climate change adaptation	0.00 %

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

It is currently not possible to break down the shares of investments by environmental objectives, as the data is not yet available in a verified form.

- What was the share of investments made in transitional and enabling activities?

Transitional activities	0.00 %
Enabling activities	0.00 %

The Sub-Fund's Investment Manager has not committed to a split of minimum taxonomy alignment into transitional, enabling activities and own performance. Currently the Investment Manager does not have complete, verifiable and up-to-date data to review all investments with respect to the technical assessment criteria for enabling and transitional activities as set out in the Taxonomy Regulation. Therefore, the corresponding values on the enabling and transitional activities are stated as 0%. Non-financial undertakings will disclose information on the taxonomy-alignment of their economic activities in the form of pre-defined KPIs, indicating to which environmental objective activities contribute and whether it is a transitional or enabling economic activity, only starting from 01 January 2023 (financial undertakings - from 01 January 2024). This information is a mandatory basis for this evaluation.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 16.81 %.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 26.35 %.

What investments were included under "#2 Other", what is their purpose and were there any minimum environmental or social safeguards?

Under «#2 Other» investments which were included were Cash, share of non-sustainable investments of Targets Funds, or Derivatives (calculation was based on a look-through approach). Derivatives were used for efficient portfolio management (including risk hedging) and/or investment purposes, and Target Funds to benefit from a specific strategy. There were no minimum environmental or social safeguards applied to these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To ensure that the Sub-Fund fulfils its environmental and social characteristics, the binding elements were defined as assessment criteria. The adherence to binding elements was measured with the help of sustainability indicators. For each sustainability indicator, a methodology, based on different data sources, has been set up to ensure accurate measurement and reporting of the indicators. To provide for actual underlying data, the Sustainable Minimum Exclusion list was updated at least twice per year by the Sustainability Team and based on external data sources.

Technical control mechanisms have been introduced for monitoring the adherence to the binding elements in pre- and post-trade compliance systems. These mechanisms served to guarantee constant compliance with the environmental and social characteristics of the Sub-Fund. In case of identified breaches, corresponding measures were performed to address the breaches. Example of such measures are disposal of securities which are not in line with the exclusion criteria or engagement with the issuers (in case of direct investments in companies). These mechanisms are an integral part of the PAI consideration process.

In addition, AllianzGI engages with investee companies. The engagement activities were performed only in relation to direct investments. It is not guaranteed that the engagement conducted includes issuers held by every fund. The Investment Manager's engagement strategy rests on 2 pillars: (1) risk-based approach and (2) thematic approach.

The risk-based approach focuses on the material ESG risks identified. Engagements are closely related to the size of exposure. Significant votes against company management at past general meetings, controversies connected to sustainability or governance and other sustainability issues are in the focus of the engagement with investee companies

The thematic approach focuses on one of the three AllianzGI's strategic sustainability themes- climate change, planetary boundaries, and inclusive capitalism- or to governance themes within specific markets. Thematic engagements were identified based on topics deemed important for portfolio investments and were prioritized based on the size of AllianzGI´s holdings and considering the priorities of clients.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- How did the reference benchmark differ from a broad market index?

  Not applicable

- How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  Not applicable

- How did this financial product perform compared with the reference benchmark?

Not applicable

- How did this financial product perform compared with the broad market index?

Not applicable

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMUNDI FLOATING RATE EURO CORPORATE ESG

Legal entity identifier:
5493006D311IM3Q4K364

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐	**Yes**
☒	**No**

☐ It made **sustainable investments with an environmental objective: ___%**

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made a **sustainable investments with a social objective: ___%**

☒ It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **55.96%** of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The investment objective of the Product is to track an Index, which is based on a Parent Index. At each of the Index rebalancing date, at least 20% of the Parent Index constituents were removed based on sustainability criteria, among others, an environmental, social and governance ("ESG") rating.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Date	Index	Weighted Avg ESG Score	Coverage
30/09/2022	iBoxx MSCI ESG EUR FRN Investment Grade Corporates TCA	8,0	100%
30/09/2022	iBoxx EUR FRN Broad Investment Grade Corporates TCA	7,4	100%

- ***… and compared to previous periods?***

  The above sustainability indicators were not compared to previous in the previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments were to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

At the investee company level this means that an investee company must be a "best performer" within its sector of activity on at least one of its material environmental or social factors. The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company.

In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score.

Amundi considers the second criterion as met if the investee company does not have significant exposure to activities not compatible with such criteria (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

Principal adverse impacts are the most significant negative

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two tests:

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors)
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector
- Be cleared of any controversy in relation to work conditions and human rights
- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector.

- ***How were the indicators for adverse impacts on sustainability factors taken into account****?*

  The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules as described above.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

Amundi considers all the mandatory Principal Adverse Impacts applying to the Product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories : to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy. This approach applies to all of Amundi products. In 2021, Amundi has engaged with 1364 companies.
- Vote: Amundi's voting policy responds to an holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy . This approach applies by default to all of Amundi products. In 2021, Amundi has voted 4 008 companies.
- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.



What were the top investments of this financial product?

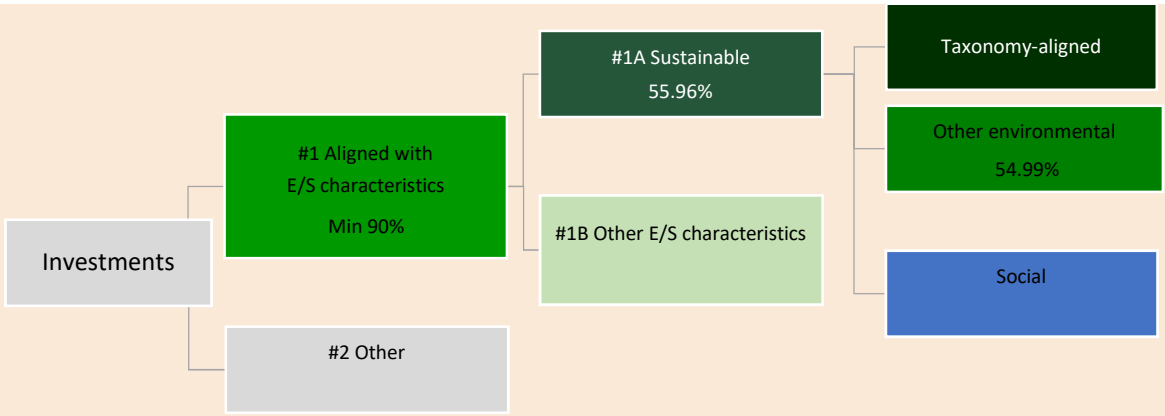
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/10/2021 to 30/09/2022**

Largest Investments	Sector	% Assets	Country
RY FRN 01/24 EMTN	BANKING	3.21 %	CAN
C FRN 03/23 EMTN	BANKING	3.14 %	USA
LLOYDS FRN 06/24	BANKING	3.14 %	GBR
ACAFP FRN 03/23 EMTN	BANKING	3.08 %	FRA
INTNED FRN 09/23 EMTN	BANKING	2.88 %	NLD
SANUK FRN 03/24	BANKING	2.54 %	GBR
AMSSM FRN 01/24 EMTN	TECHNOLOGY	2.51 %	ESP
ORFP FRN 03/24	CONSUMER_NON_CYCLICAL	2.49 %	FRA
BAC FRN 04/24 EMTN	BANKING	2.37 %	USA
TACHEM FRN 11/22 REGS	CONSUMER_NON_CYCLICAL	2.25 %	JPN
COLOBD FRN 05/24 EMTN	CONSUMER_NON_CYCLICAL	2.23 %	DNK
ANNGR FRN 12/22 EMTN	REITS	1.95 %	DEU
CBAAU FRN 03/23	BANKING	1.91 %	AUS
DAIGR FRN 03/07/24	CONSUMER_CYCLICAL	1.90 %	DEU
CMZB FRN 11/23 EMTN	BANKING	1.89 %	DEU

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	*% Assets*
BANKING	*66.76 %*
CONSUMER_CYCLICAL	*10.81 %*
CONSUMER_NON_CYCLICAL	*6.98 %*
REITS	*4.79 %*
CAPITAL_GOODS	*2.96 %*
TECHNOLOGY	*2.51 %*
TRANSPORTATION	*2.21 %*
ELECTRIC	*1.03 %*
INSURANCE	*0.91 %*
Other	*0.00 %*
Cash	*1.06 %*

Taxonomy-aligned activities are expressed as a share of:
-**turnover**



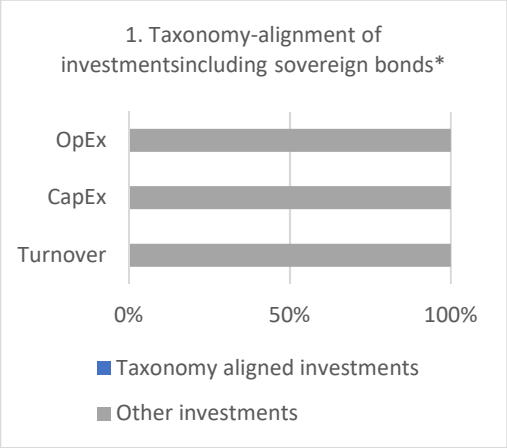
To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

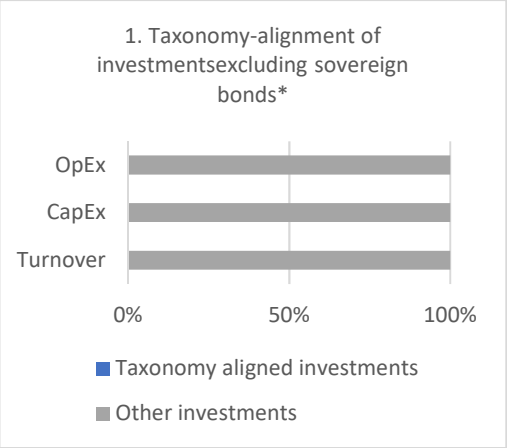
Reliable data regarding the EU Taxonomy was not available during the period

reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereig first graph shows the Taxonomy alignment in relation to all the investments of the financial prod sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the invest financial product other than sovereign bonds.





Data not yet available

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments in transitional and enabling activities?

Reliable data regarding transitional and enabling activities was not available during the period.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Reliable data regarding EU Taxonomy was not available during on the previous reference periods


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with environmental objective not aligned to taxonomy is **54.99%**
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments?

This product does not commit to have social sustainable investments

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

"#2 Other" includes cash and unrated instruments held for the purpose of liquidity and portfolio risk management. There were no minimum environmental or social safeguards in place for these investments

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. Binding elements in the Index methodology ensure environmental and/or social characteristics are met at each rebalancing date. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy .

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error.

- ***How does the reference benchmark differ from a broad market index?***

iBoxx MSCI ESG EUR FRN Investment Grade Corporates TCA Index is a bond index representative of euro-denominated investment grade floating rate note (FRN) bonds issued by corporate issuers from developed countries that follows the rules of the iBoxx EUR FRN Investment Grade Corporates TCA Index (the "Parent Index") and applies ESG criteria for security eligibility.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index

- ***How did this financial product perform compared with the reference benchmark?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index.

- ***How did this financial product perform compared with the broad market index?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. A comparison of the Index replicated by the Sub Fund vs its Parent index has already been detailed on section How did the sustainability indicators perform?

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMUNDI MSCI WORLD CLIMATE TRANSITION CTB

Legal entity identifier:
222100479LWJEIXZB875

Sustainable investment objective

Did this financial product have a sustainable investment objective?

- [X] **Yes**
- [ ] **No**

- [X] It made **sustainable investments with an environmental objective: 47.12%**
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:**
- [ ] It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of _____ of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent was the sustainable investment objective of this financial product met?

The Sub Fund promoted environmental and/or social characteristics through among others replicating an index meeting the minimum standards for EU Climate Transition Benchmarks (EU CTBs) under Regulation (EU) 2019/2089 amending Regulation (EU) 2016/1011.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Date	Index	Carbon Intensity	Coverage
30/11/2022	MSCI Europe Climate Change CTB Select Index Net EUR	147,4	100%
30/11/2022	MSCI EUROPE	379,8	99%

- ***… and compared to previous periods?***

The above sustainability indicators were not compared to previous in the previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments were to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

At the investee company level this means that an investee company must be a "best performer" within its sector of activity on at least one of its material environmental or social factors. The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company.

In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score.

Amundi considers the second criterion as met if the investee company does not have significant exposure to activities not compatible with such criteria (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two tests:

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors)
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector
- Be cleared of any controversy in relation to work conditions and human rights

- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How were the indicators for adverse impacts on sustainability factors taken into account****?*

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules as described above.

- ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

Amundi considers all the mandatory Principal Adverse Impacts applying to the Product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories : to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy. This approach applies to all of Amundi products. In 2021, Amundi has engaged with 1364 companies.
- Vote: Amundi's voting policy responds to an holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy . This approach applies by default to all of Amundi products. In 2021, Amundi has voted 4 008 companies.

Controversies monitoring: Amundi has developed a controversy tracking system that relies on three data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/10/2021 to 30/09/2022**

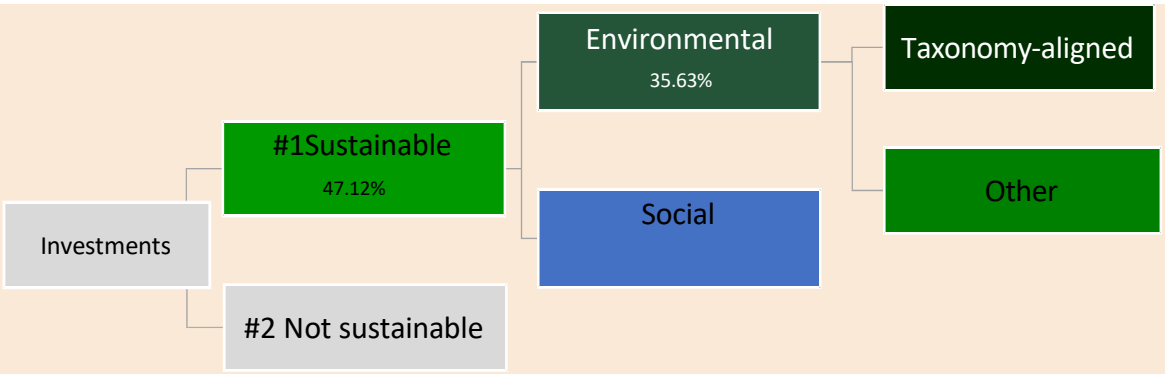
Largest Investments	Sector	% Assets	Country
TESLA INC	Automobiles	4.76 %	USA
APPLE INC	Technology Hardware, Storage & Peripherals	4.44 %	USA
MICROSOFT CORP	Software	4.06 %	USA
NVIDIA CORP	Semiconductors & Semiconductor Equipment	2.70 %	USA
AMAZON.COM INC	Internet & Direct Marketing Retail	2.55 %	USA
JOHNSON & JOHNSON	Pharmaceuticals	1.64 %	USA
UNITEDHEALTH GRP INC	Health Care Providers & Services	1.53 %	USA
ALPHABET INC CL A	Interactive Media & Services	1.16 %	USA
PROCTER GAMBLE	Household Products	1.11 %	USA
ALPHABET INC CL C	Interactive Media & Services	1.10 %	USA
ELI LILLY & CO	Pharmaceuticals	1.00 %	USA
ROCHE HLDG AG-GENUSS	Pharmaceuticals	0.89 %	USA
MASTERCARD INC-CL A	IT Services	0.78 %	USA
DANAHER CORP	Life Sciences Tools &	0.67 %	USA

	Services		
ASML HOLDING NV	Semiconductors & Semiconductor Equipment	0.65 %	NLD

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments**.**

In which economic sectors were the investments made?

Sector	*% Assets*
Software	*7.92 %*
Pharmaceuticals	*7.59 %*
Semiconductors & Semiconductor Equipment	*7.55 %*
Banks	*5.42 %*
Automobiles	*5.05 %*

Technology Hardware, Storage & Peripherals	*4.83 %*
IT Services	*4.14 %*
Capital Markets	*3.23 %*
Insurance	*3.16 %*
Interactive Media & Services	*3.10 %*
Health Care Equipment & Supplies	*2.99 %*
Health Care Providers & Services	*2.94 %*
Internet & Direct Marketing Retail	*2.77 %*
Equity REITs	*2.63 %*
Life Sciences Tools & Services	*2.02 %*
Machinery	*1.89 %*
Beverages	*1.88 %*
Hotels, Restaurants & Leisure	*1.81 %*
Biotechnology	*1.80 %*
Specialty Retail	*1.75 %*
Household Products	*1.59 %*
Chemicals	*1.47 %*

Textiles, Apparel & Luxury Goods	*1.38 %*
Food Products	*1.35 %*
Electrical Equipment	*1.28 %*
Entertainment	*1.24 %*
Food & Staples Retailing	*1.12 %*
Electric Utilities	*1.11 %*
Road & Rail	*1.11 %*
Diversified Telecommunication Services	*1.08 %*
Electronic Equipment, Instruments & Components	*1.04 %*
Personal Products	*0.82 %*
Professional Services	*0.79 %*
Communications Equipment	*0.76 %*
Building Products	*0.74 %*
Media	*0.66 %*
Metals & Mining	*0.58 %*
Air Freight & Logistics	*0.55 %*
Household Durables	*0.53 %*

Multiline Retail	*0.50 %*
Industrial Conglomerates	*0.47 %*
Wireless Telecommunication Services	*0.47 %*
Real Estate Management & Development	*0.47 %*
Commercial Services & Supplies	*0.45 %*
Construction & Engineering	*0.43 %*
Trading Companies & Distributors	*0.42 %*
Consumer Finance	*0.35 %*
Oil, Gas & Consumable Fuels	*0.24 %*
Aerospace & Defense	*0.22 %*
Auto Components	*0.19 %*
Diversified Financial Services	*0.18 %*
Multi-Utilities	*0.17 %*
Containers & Packaging	*0.16 %*
Construction Materials	*0.16 %*
Transportation Infrastructure	*0.13 %*
Distributors	*0.12 %*

Independent Power&Renewable Electricity Producers	*0.11 %*
Paper & Forest Products	*0.10 %*
Water Utilities	*0.10 %*
Health Care Technology	*0.08 %*
Leisure Products	*0.08 %*
Marine	*0.07 %*
Airlines	*0.04 %*
Gas Utilities	*0.04 %*
Energy Equipment & Services	*0.04 %*
Mortgage REITs	*0.01 %*
Diversified Consumer Services	*0.01 %*
Forex	*0.00 %*
Other	*0.00 %*
Cash	*0.47 %*

Taxonomy-aligned activities are expressed as a share of:
-**turnover**



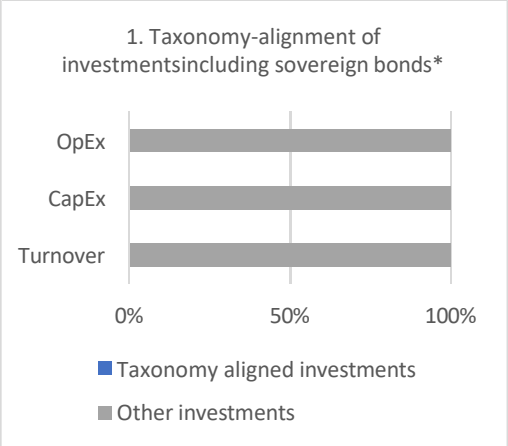
To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

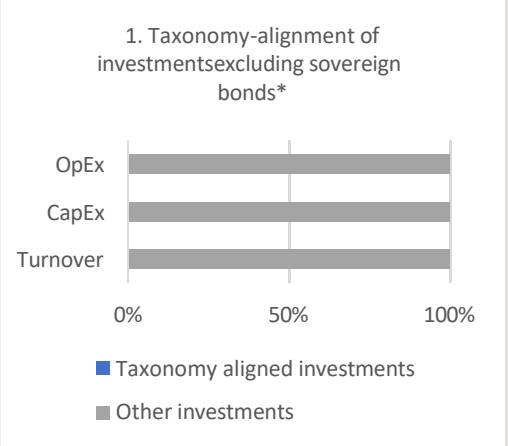
Reliable data regarding the EU Taxonomy was not available during the period

reflecting the share of revenue from green activities of investee companies

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereig first graph shows the Taxonomy alignment in relation to all the investments of the financial prod sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the invest financial product other than sovereign bonds.





Data not yet available

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities

What was the share of investments in transitional and enabling activities?

Reliable data regarding transitional and enabling activities was not available during the period.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Reliable data regarding EU Taxonomy was not available during on the previous reference periods



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with environmental objective not aligned to taxonomy is **35.63%**

This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments?

under the EU Taxonomy.

This product does not commit to have social sustainable investments



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

"#2 Other" includes cash and unrated instruments held for the purpose of liquidity and portfolio risk management. There were no minimum environmental or social safeguards in place for these investments.



What actions have been taken to meet the sustainable investment objective during the reference period?

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. Binding elements in the Index methodology ensure environmental and/or social characteristics are met at each rebalancing date. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy .



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error.

- ***How does the reference benchmark differ from a broad market index?***

The MSCI World Climate Change CTB Select Index is an equity index based on the MSCI World Index ("Parent Index"). representative of the large and mid-cap securities across 23 Developed Markets countries (as of December 2020). The Index aims to represent the performance of a strategy that reweights securities based upon the opportunities and risks associated with the climate transition to meet the EU Climate Transition Benchmark (EU CTB) label minimum requirements.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index

- ***How did this financial product perform compared with the reference benchmark?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index.

- ***How did this financial product perform compared with the broad market index?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. A comparison of the Index replicated by the Sub Fund vs its Parent index has already been detailed on section How did the sustainability indicators perform?

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMUNDI FLOATING RATE USD CORPORATE ESG

Legal entity identifier:
549300W6M26WPJCWRV83

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**

☐ It made **sustainable investments with an environmental objective: ___%**

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made a **sustainable investments with a social objective: ___%**

☒ It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **31.99%** of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The investment objective of the Product is to track an Index, which is based on a Parent Index. At each of the Index rebalancing date, at least 20% of the Parent Index constituents were removed based on sustainability criteria, among others, an environmental, social and governance ("ESG") rating.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Date	Index	Weighted Avg ESG Score	Coverage
30/09/2022	iBoxx MSCI ESG USD FRN Investment Grade Corporates TCA EUR Hedged TRI	7,4	100%
30/09/2022	iBoxx USD FRN Broad Investment Grade Corporates TCA	7,0	98%

- ***… and compared to previous periods?***

  The above sustainability indicators were not compared to previous in the previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments were to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

At the investee company level this means that an investee company must be a "best performer" within its sector of activity on at least one of its material environmental or social factors. The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company.

In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score.

Amundi considers the second criterion as met if the investee company does not have significant exposure to activities not compatible with such criteria (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

Principal adverse impacts are the most significant negative

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two tests:

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors)
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector
- Be cleared of any controversy in relation to work conditions and human rights
- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector.

- ***How were the indicators for adverse impacts on sustainability factors taken into account****?*

  The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules as described above.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

Amundi considers all the mandatory Principal Adverse Impacts applying to the Product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories : to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy. This approach applies to all of Amundi products. In 2021, Amundi has engaged with 1364 companies.
- Vote: Amundi's voting policy responds to an holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy . This approach applies by default to all of Amundi products. In 2021, Amundi has voted 4 008 companies.
- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.



What were the top investments of this financial product?

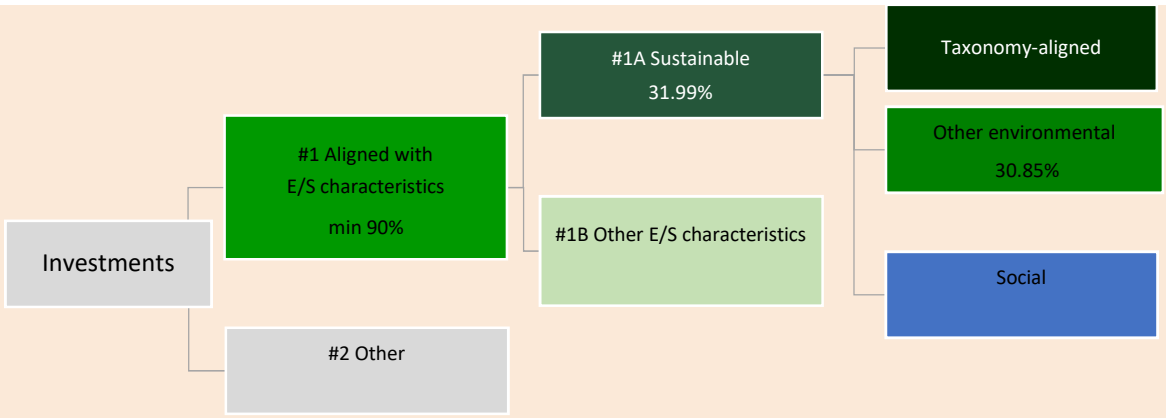
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/10/2021 to 30/09/2022**

Largest Investments	Sector	% Assets	Country
MS 2.28178% 10/23	BANKING	1.39 %	USA
HSBC FRN 05/24	BANKING	1.32 %	GBR
VZ FRN 05/25	COMMUNICATIONS	1.09 %	USA
MUFG FRN 07/23	BANKING	1.08 %	JPN
AT&T FRN 06/24	COMMUNICATIONS	0.99 %	USA
CBAAU FRN 07/25 REGS	BANKING	0.97 %	AUS
BACR FRN 05/24	BANKING	0.97 %	GBR
TFC FRN 01/24 BKNT	BANKING	0.96 %	USA
BAC FRN 02/26 MTN	BANKING	0.95 %	USA
BNS FRN 09/23 *	BANKING	0.94 %	CAN
BMO FRN 03/23 MTN	BANKING	0.90 %	CAN
MS FRN 5/24	BANKING	0.82 %	USA
SCHW FRN 03/24	BROKERAGE	0.81 %	USA
CM FRN 03/23 *	BANKING	0.81 %	CAN
ATO FRN 03/23	NATURAL_GAS	0.74 %	USA

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	*% Assets*

BANKING	*69.42 %*
CONSUMER_CYCLICAL	*7.49 %*
CONSUMER_NON_CYCLICAL	*4.17 %*
CAPITAL_GOODS	*3.99 %*
COMMUNICATIONS	*3.80 %*
INSURANCE	*1.86 %*
ELECTRIC	*1.44 %*
BROKERAGE	*1.39 %*
NATURAL_GAS	*1.39 %*
FINANCE_COMPANIES	*0.69 %*
TECHNOLOGY	*0.67 %*
ENERGY	*0.63 %*
TRANSPORTATION	*0.31 %*
BASIC_INDUSTRY	*0.22 %*
Other	*0.00 %*
Cash	*2.52 %*

Taxonomy-aligned activities are expressed as a share of:
-**turnover**



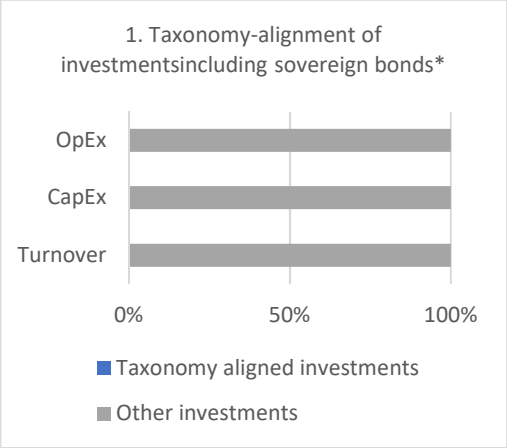
To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

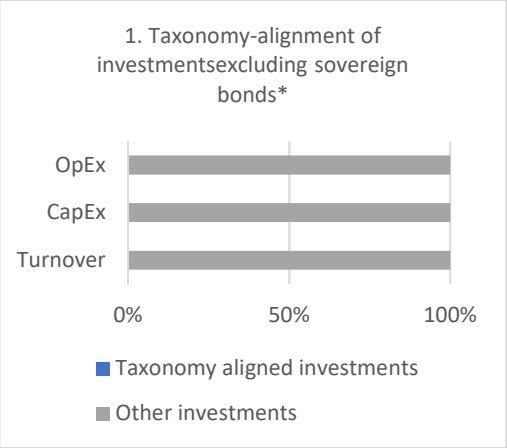
Reliable data regarding the EU Taxonomy was not available during the period

reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereig first graph shows the Taxonomy alignment in relation to all the investments of the financial prod sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the invest financial product other than sovereign bonds.





Data not yet available

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities?***

Reliable data regarding transitional and enabling activities was not available during the period.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Reliable data regarding EU Taxonomy was not available during on the previous reference periods



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with environmental objective not aligned to taxonomy is **30.85%**
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments?

This product does not commit to have social sustainable investments

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

"#2 Other" includes cash and unrated instruments held for the purpose of liquidity and portfolio risk management. There were no minimum environmental or social safeguards in place for these investments

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. Binding elements in the Index methodology ensure environmental and/or social characteristics are met at each rebalancing date. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy .

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error.

- ***How does the reference benchmark differ from a broad market index?***

iBoxx MSCI ESG USD FRN Investment Grade Corporates TCA Index is a bond index representative of USD denominated investment grade floating rate note (FRN) bonds issued by corporate issuers from developed countries that follows the rules of the iBoxx USD FRN Investment Grade Corporates TCA Index (the "Parent Index") and applies ESG criteria for security eligibility.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index

- ***How did this financial product perform compared with the reference benchmark?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index.

- ***How did this financial product perform compared with the broad market index?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. A comparison of the Index replicated by the Sub Fund vs its Parent index has already been detailed on section How did the sustainability indicators perform?

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Amundi
ASSET MANAGEMENT

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: AMUNDI FUNDS EMERGING MARKETS CORPORATE BOND

Legal entity identifier: 529900YJOJ3E3FRQQ325

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] **Yes**
- [x] **No**

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:** _____

- [x] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 20.92% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **JP MORGAN CEMBI BROAD DIVERSIFIED.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Amundi has developed its own in-house ESG rating process based on the "Best-in-class" approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **-0.11 (D).**
- The weighted average ESG rating of the ESG investment universe is **-0.17 (D).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.
- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

- ***… and compared to previous periods?***

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification

of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
  The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:
  - Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
  - Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
  - Be cleared of any controversy in relation to work conditions and human rights.
  - Be cleared of any controversy in relation to biodiversity and pollution

  Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of

each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.



What were the top investments of this financial product?

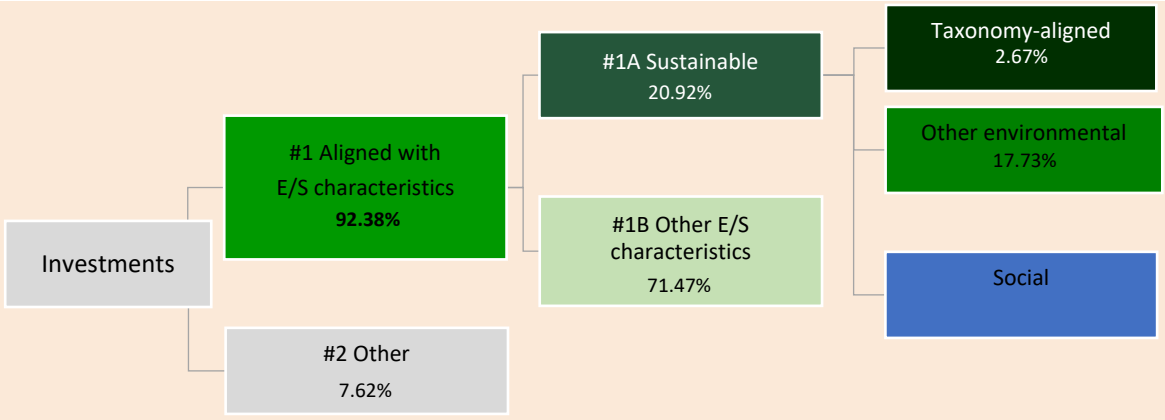
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/07/2022 to 30/06/2023**

Largest Investments	Sector	% Assets	Country
A-F EMERG MARKETS GREEN BD - SE USD	Mutual funds	3.26%	LUX
ABQKQD VAR PERP	Financials	1.88%	QAT
BCP VAR 07/30 REGS	Financials	1.69%	PER
AMU PLAN-EM GR ONE-SEN USDC	Mutual funds	1.56%	LUX
MIICF 5.125% 01/28	Communication Services	1.42%	COL
SANLTD 4.3% 01/26	Consumer Discretionary	1.37%	MAC
PEMEX 5.5% 6/44	Energy	1.33%	MEX
MHPSA 6.25% 09/29 REGS	Consumer Staples	1.20%	UKR
BHARTI VAR PERP REGS	Communication Services	1.19%	IND
US TSY 3.5% 04/28	TREASURIES	1.18%	USA
TEVA 1.625% 10/28	Consumer Staples	1.05%	ISR
PIFKSA 4.875% 02/35	Financials	1.03%	SAU
A-F EMERGING MKT CORP H-Y BD-Z EUR	Mutual funds	1.03%	LUX
BBVASM VAR 01/33 REGS	Financials	1.03%	MEX
DPWDU VAR PERP	Consumer Staples	0.97%	ARE



What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	***% Assets***
Financials	*27.46%*
Industrials	*15.29%*
Energy	*12.06%*
Communication Services	*10.26%*
Consumer Discretionary	*8.38%*
Mutual funds	*5.85%*
Consumer Staples	*5.63%*

SOVEREIGN	*5.18%*
Utilities	*4.21%*
SUPRANATIONAL	*1.90%*
TREASURIES	*1.18%*
Forex	*0.37%*
AGENCIES	*0.29%*
Real Estate	*0.26%*
Information Technology	*0.24%*
Other	*0.00%*
Cash	*1.41%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 2.67% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

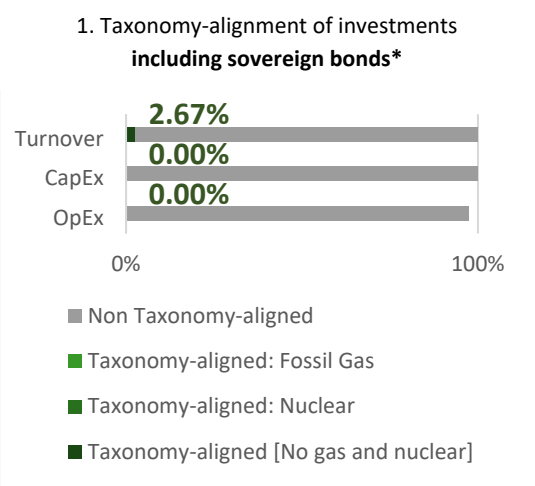
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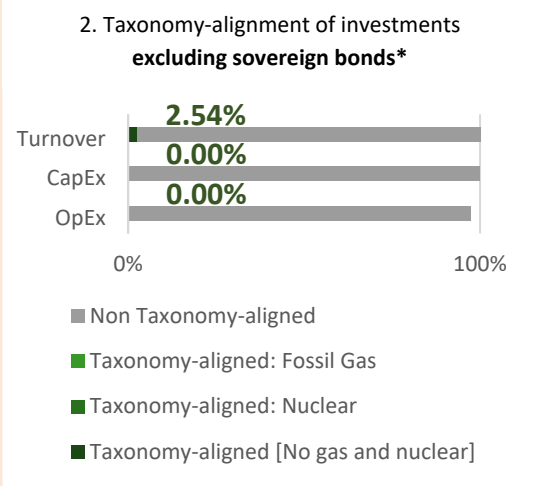
No

Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities ?***

As of 30/06/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.00%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?***

In previous periods the regulation was not yet in force.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **17.73%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.

What was the share of socially sustainable investments ?

This product did not commit to have social sustainable investments over the period.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results

How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product does not have an ESG Benchmark.

- ***How does the reference benchmark differ from a broad market index ?***

This product does not have an ESG Benchmark

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the reference benchmark ?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the broad market index ?***

This product does not have an ESG Benchmark.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: AMUNDI FUNDS CASH EUR

Legal entity identifier: 5299002SSK89DA5VPJ96

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] **Yes**
- [X] **No**

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:** _____
- [X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **50.85%** of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **ICE BOFA 1-3 YEAR GLOBAL CORPORATE INDEX.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Amundi has developed its own in-house ESG rating process based on the “Best-in-class” approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **0.66 (C).**
- The weighted average ESG rating of the ESG investment universe is **0.04** (**D).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers’ ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.
- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer’s strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

… and compared to previous periods?

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial

data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
  The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:
  - Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
  - Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
  - Be cleared of any controversy in relation to work conditions and human rights.
  - Be cleared of any controversy in relation to biodiversity and pollution

  Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our

proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

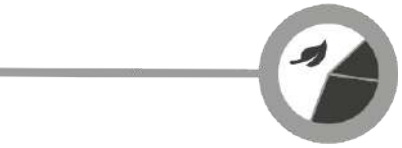
For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.



What were the top investments of this financial product?

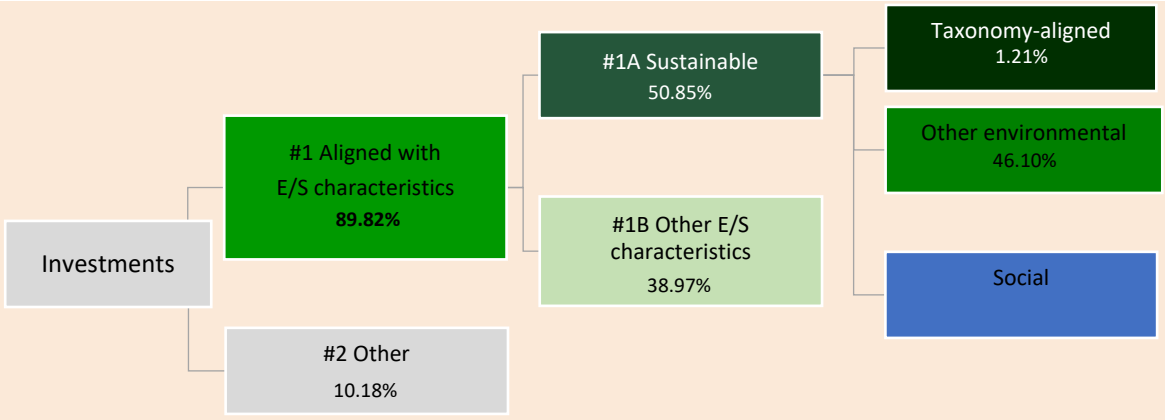
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/07/2022 to 30/06/2023**

Largest Investments	Sector	% Assets	Country
BTPS 0.25% 03/28 7Y	TREASURIES	6.61%	ITA
DAT 03/07/23 LBP EUR F 3.38	Other	6.60%	FRA
RCP 13/07/23 BELG EUR F 3.28	TREASURIES	4.39%	BEL
PORTUGAL 3.875% 2/30	TREASURIES	3.62%	PRT
ITALY 1.862% 2/28	TREASURIES	3.50%	ITA
RCP 24/08/23 NORINCHU EUR F 3.51	Financials	2.19%	JPN
NCP 18/04/24 BNPP EUR V ESTR OIS +0.27	Financials	1.77%	FRA
RCP 17/07/23 AKZO EUR F 3.28	Industrials	1.76%	NLD
RCP 02/08/23 DNB NO EUR F 1.05	Financials	1.75%	NOR
RCP 12/12/23 TORDOMBK EUR F 3.74	Financials	1.73%	CAN
NCP 01/09/23 SCHN EUR F 3.52	Industrials	1.62%	FRA
NCP 02/08/23 BPCESA EUR V ESTR OIS +0.25	Financials	1.57%	FRA
NCP 09/04/24 CFCICU EUR V ESTR OIS +0.29	Financials	1.54%	FRA
NCP 15/09/23 CREDAGRI EUR V ESTR OIS +0.	Financials	1.35%	FRA
NCP 31/05/24 BNPP EUR V ESTR OIS +0.28	Financials	1.32%	FRA



What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	***% Assets***
Financials	*53.11%*
TREASURIES	*20.21%*
Other	*14.77%*
Information Technology	*5.75%*
Consumer Discretionary	*4.05%*
Industrials	*3.77%*
Communication Services	*1.72%*

Consumer Staples	*1.71%*
Real Estate	*0.09%*
Cash	*-4.33%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 1.21% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

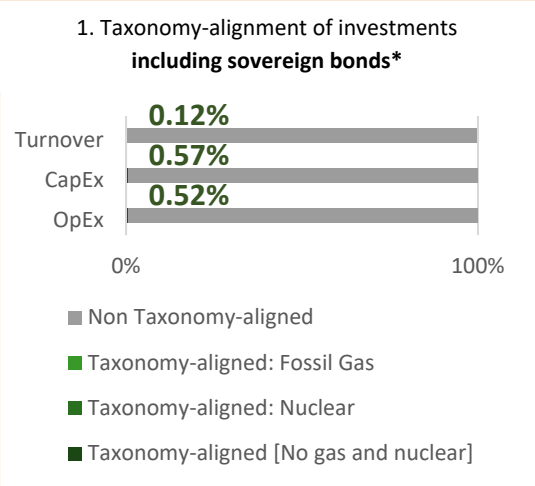
☐ In fossil gas ☐ In nuclear energy

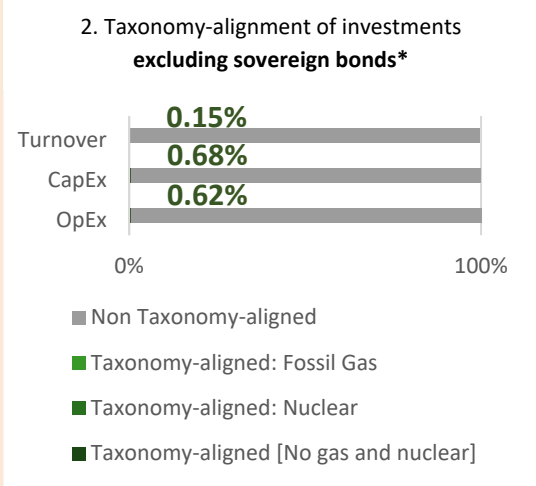
☒ No

Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities ?***

As of 30/06/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.00%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?***

In previous periods the regulation was not yet in force.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **46.10%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.

What was the share of socially sustainable investments ?

under the EU Taxonomy.

This product did not commit to have social sustainable investments over the period.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results



How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product does not have an ESG Benchmark.

- ***How does the reference benchmark differ from a broad market index ?***

This product does not have an ESG Benchmark

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the reference benchmark ?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the broad market index ?***

This product does not have an ESG Benchmark.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: AMUNDI FUNDS EUROPEAN CONVERTIBLE BOND

Legal entity identifier: 529900644PSS3LALW918

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] Yes
- [X] No

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:** _____
- [X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 68.45% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **REFINITIV EUROPEAN CONVERTIBLE HEDGED.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Amundi has developed its own in-house ESG rating process based on the "Best-in-class" approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **0.94 (C).**
- The weighted average ESG rating of the ESG investment universe is **0.71** (**C).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.
- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

- ***… and compared to previous periods?***

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial

data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
  The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:
  - Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
  - Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
  - Be cleared of any controversy in relation to work conditions and human rights.
  - Be cleared of any controversy in relation to biodiversity and pollution

  Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our

proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.



What were the top investments of this financial product?

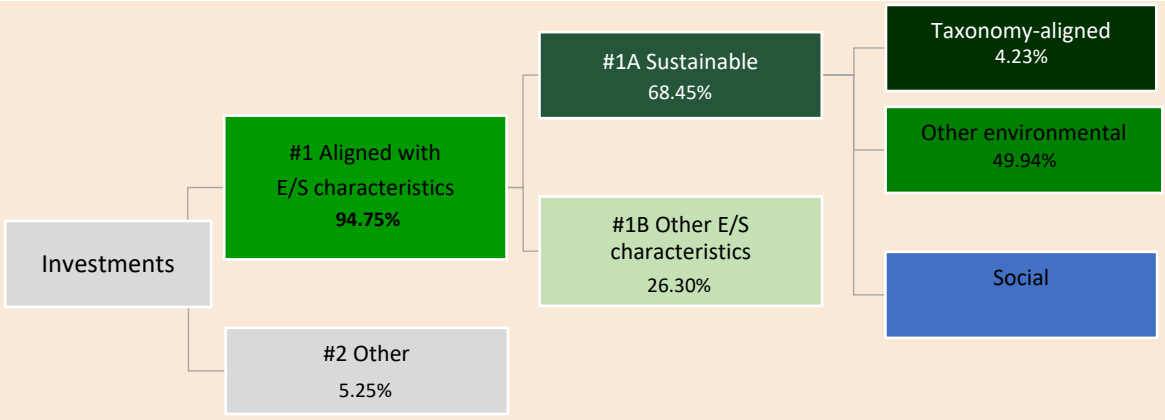
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/07/2022 to 30/06/2023**

Largest Investments	Sector	% Assets	Country
AMX/KPN 0% 03/24 CV	Communication Services	5.08%	NLD
SAFRAN 0.875% 05/27 CV	Industrials	4.44%	FRA
CELLNEX 0.75% 11/31 CV	Communication Services	3.86%	ESP
IAG 1.125% 05/28 CV	Industrials	3.36%	GBR
AMADEUS 1.50% 04/25 CV REGS	Consumer Discretionary	3.13%	ESP
ATOS/WORLDLINE 0% 11/24 CV	Financials	3.09%	FRA
STMICROELECTRONICS 0% 08/27 CV	Information Technology	2.88%	NLD
RAG/EVONIK 0% 06/26 CV	Materials	2.58%	DEU
EDENRED 0% 06/28 CV	Financials	2.48%	FRA
STMICROELECTRONICS 0% 08/25 CV	Information Technology	2.39%	NLD
PRYSMIAN SPA 0% 02/26 CV	Industrials	2.32%	FRA
QIAGEN NV 1% 13/11/24 CV	Health Care	2.14%	NLD
AMUNDI EURO LIQ SHORT TERM SRI - Z	Mutual funds	2.11%	FRA
NEXI 1.75% 04/27 CV	Financials	2.08%	ITA
LUFTHANSA 2% 11/25 CV	Industrials	2.03%	DEU



What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	***% Assets***
Industrials	*24.30%*
Consumer Discretionary	*15.28%*
Communication Services	*14.69%*
Financials	*10.57%*
Information Technology	*10.56%*
Health Care	*5.65%*
Consumer Staples	*5.10%*

Materials	*4.61%*
Utilities	*3.10%*
Mutual funds	*2.11%*
Real Estate	*1.98%*
Energy	*1.28%*
Forex	*0.23%*
Other	*0.04%*
Cash	*0.51%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 4.23% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

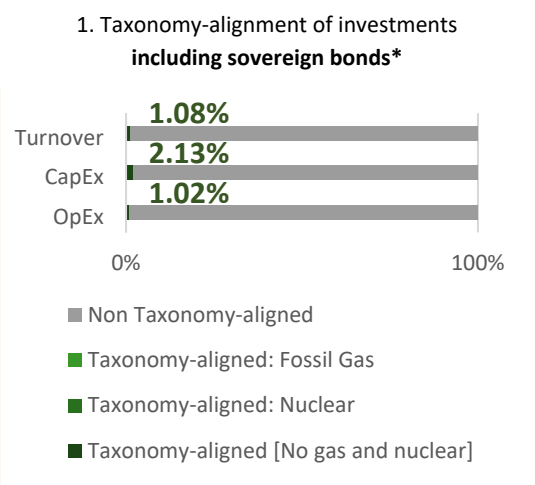
☒ No

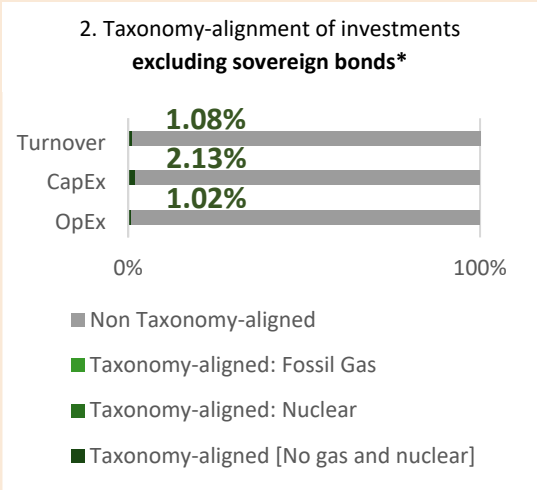
Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full

criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities ?***

As of 30/06/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.00%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?***

In previous periods the regulation was not yet in force.



are sustainable investments with an environmental objective that **do not take into**



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **49.94%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.

account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of socially sustainable investments ?

This product did not commit to have social sustainable investments over the period.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results



How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product does not have an ESG Benchmark.

- ***How does the reference benchmark differ from a broad market index ?***

This product does not have an ESG Benchmark

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the reference benchmark ?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the broad market index ?***

This product does not have an ESG Benchmark.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: AMUNDI FUNDS NET ZERO AMBITION MULTI-ASSET

Legal entity identifier: 549300UWEKCHQNE88693

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] **Yes**
- [X] **No**

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:** _____
- [X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **57.60%** of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **5% MSCI USD HY CORPORATE BOND INDEX + 60% MSCI ACWI + 5% MSCI EUR HY CORPORATE BOND INDEX + 15% MSCI USD IG CORPORATE BOND + 15% MSCI EUR IG CORPORATE BOND INDEX.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

The product is labeled SRI (Social and Responsible Investment). It sought throughout the year to promote the 3 dimensions (environmental, social and governance) by taking into account the ESG rating of issuers in the construction of the portfolio.

The ESG rating of issuers aims to assess their ability to manage the potential negative impact of their activities on sustainability factors. This analysis thus aims to assess their Environmental and Societal behaviors in terms of Governance by assigning them an ESG rating ranging from A (best rating) to G (worse rating), so as to achieve a more global assessment of the risks.

1. The portfolio has consistently applied the following Amundi exclusion policy:
- Legal exclusions on controversial weapons
- Companies that seriously and repeatedly contravene one or more of the 10 principles of the Global Compact (UN Global Compac), without credible corrective measures;
- The sectoral exclusions of the Amundi group on Coal and Tobacco; (details of this policy are available in Amundi's Responsible Investment Policy available on the website www.amundi.fr)
2. No investment has been made in issuers rated F or G. For any issuer whose rating has been downgraded to F or G, the securities already present in the portfolio were sold within the timeframe committed to in the prospectus and taking into account financial interest of holders
3. The weighted average ESG score of the portfolio has consistently been higher than the weighted average ESG score of the fund's investment universe after eliminating the 20% of the worst issuers
4. The fund has favored issuers that are leaders in their sector of activity according to the ESG criteria identified by the team of extra-financial analysts of the management company (“best in class” approach). With the exception of the above exclusions, all economic sectors are represented in this approach and the UCI may therefore be exposed to certain controversial sectors.

During the financial year, the product continuously promoted environmental characteristics by aiming to reduce its carbon intensity by aligning its carbon footprint intensity to that of its Benchmark **5% MSCI USD HY CORPORATE BOND INDEX + 60% MSCI ACWI + 5% MSCI EUR HY CORPORATE BOND INDEX + 15% MSCI USD IG CORPORATE BOND + 15% MSCI EUR IG CORPORATE BOND INDEX.**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Amundi has developed its own in-house ESG rating process based on the “Best-in-class” approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **0.46 (D).**
- The weighted average ESG rating of the ESG investment universe is **-0.04** (**D).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers’ ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse

emissions, fighting resource depletion and protecting biodiversity.

- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

The sustainability indicator used is the portfolio carbon footprint intensity, which is calculated as an asset weighted portfolio average and compared to the asset weighted carbon footprint intensity of the Benchmark. As a result, securities with relatively low environmental footprints had a higher probability of being selected in the portfolio compared to securities with relatively high environmental footprints.

- The weighted average carbon footprint intensity of the portfolio is **122.08**
- The weighted average carbon footprint intensity of the Benchmark is **221.64**

… and compared to previous periods?

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
- Be cleared of any controversy in relation to work conditions and human rights.
- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.



What were the top investments of this financial product?

The list includes the investments

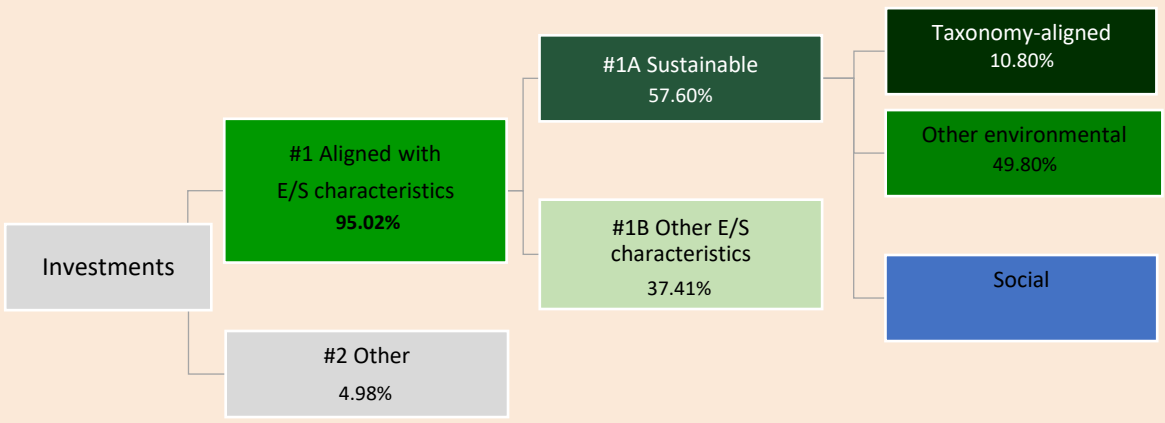
Largest Investments	Sector	% Assets	Country

constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/07/2022 to 30/06/2023**

MICROSOFT CORP	Information Technology	1.76%	USA
APPLE INC	Information Technology	1.66%	USA
EU 0.4% 02/37 NGEU	SUPRANATIONAL	1.51%	SUP
DBR 0% 08/31 G	TREASURIES	1.29%	DEU
ALPHABET INC CL A	Communication Services	0.89%	USA
NVIDIA CORP	Information Technology	0.86%	USA
DANAHER CORP	Health Care	0.80%	USA
TAIWAN SEMICONDUCTOR MANUFAC	Information Technology	0.76%	TWN
XYLEM INC	Industrials	0.68%	USA
SAMSUNG ELECTRONICS	Information Technology	0.65%	KOR
AECOM	Industrials	0.65%	USA
AMERICAN WATER WORKS	Utilities	0.62%	USA
BTPS 1.5% 04/45 34Y	TREASURIES	0.55%	ITA
VISA INC -A	Financials	0.52%	USA
CROWN HOLDINGS I	Materials	0.52%	USA

What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	*% Assets*
Financials	*26.60%*
Information Technology	*14.96%*
Industrials	*9.63%*
Communication Services	*9.05%*
Consumer Discretionary	*7.85%*
Utilities	*6.31%*
Consumer Staples	*6.14%*
Health Care	*6.03%*
Materials	*3.07%*
Real Estate	*2.46%*
SUPRANATIONAL	*2.07%*
TREASURIES	*1.84%*
Forex	*0.46%*
SOVEREIGN	*0.45%*

AGENCIES	*0.31%*
Energy	*0.29%*
Other	*0.13%*
Mutual funds	*0.11%*
Cash	*2.25%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 10.80% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

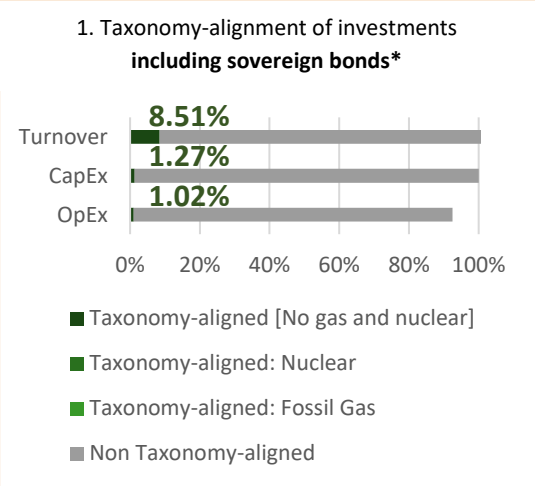
☐ In fossil gas ☐ In nuclear energy

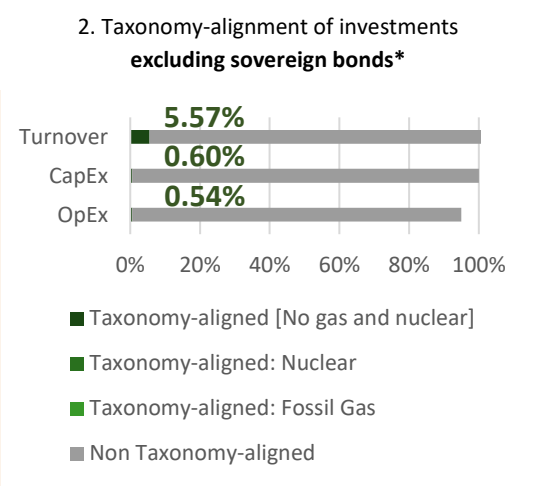
☒ No

Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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 financialproduct 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities ?***

As of 30/06/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.07%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?***

In previous periods the regulation was not yet in force.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **49.80%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.

What was the share of socially sustainable investments ?

under the EU Taxonomy.

This product did not commit to have social sustainable investments over the period.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results



How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index ?***

A broad market index, does not assess or include its constituents according to environment characteristics and therefore is not aligned with environmental characteristics.

The index used is a "Paris Aligned Benchmark" which incorporates specific objectives related to emission reductions and the transition to a low-carbon economy through the selection and weighting of underlying constituents.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  - The weighted average carbon footprint intensity of the portfolio is **122.08**
  - The weighted average carbon footprint intensity of the Benchmark is **221.64**

- ***How did this financial product perform compared with the reference benchmark ?***

The sustainable investment objective is attained by aligning the carbon footprint reduction objectives of the fund with MSCI World Climate Paris Aligned Net USD Index. The portfolio carbon footprint intensity is calculated as an asset weighted portfolio average and compared to the asset weighted carbon footprint intensity of the Index.

As a result, securities with relatively low environmental footprints have a higher probability of being selected in the portfolio compared to securities with relatively high environmental footprints. In addition, the fund excludes companies on the basis of controversial behavior and (or) controversial products in accordance with the Responsible Investment Policy.

- The weighted average carbon footprint intensity of the portfolio is **122.08**
- The weighted average carbon footprint intensity of the Benchmark is **221.64**

How did this financial product perform compared with the broad market index ?

A broad market index, does not assess or include its constituents according to environment characteristics and therefore is not aligned with environmental characteristics.

The index used is a "Paris Aligned Benchmark" which incorporates specific objectives related to emission reductions and the transition to a low-carbon economy through the selection and weighting of underlying constituents.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMUNDI INDEX EURO CORPORATE SRI

Legal entity identifier:
2221000A7N8FW0MB1V42

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**

☐ It made **sustainable investments with an environmental objective: ___%**

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made a **sustainable investments with a social objective: ___%**

☒ It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **57.44%** of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The investment objective of the Product is to track an Index, which is based on a Parent Index. At each of the Index rebalancing date, at least 20% of the Parent Index constituents were removed based on sustainability criteria, among others, an environmental, social and governance ("ESG") rating.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Date	Index	ESG Score	Coverage
30/09/2022	Bloomberg MSCI Euro Corporate ESG Sustainability SRI	7,7	100%

- ***… and compared to previous periods?***

  The above sustainability indicators were not compared to previous in the previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments were to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

At the investee company level this means that an investee company must be a "best performer" within its sector of activity on at least one of its material environmental or social factors. The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company.

In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score.

Amundi considers the second criterion as met if the investee company does not have significant exposure to activities not compatible with such criteria (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

Principal adverse impacts are the most significant negative

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two tests:

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors)
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector
- Be cleared of any controversy in relation to work conditions and human rights
- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector.

- ***How were the indicators for adverse impacts on sustainability factors taken into account****?*

  The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules as described above.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

Amundi considers all the mandatory Principal Adverse Impacts applying to the Product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories : to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy. This approach applies to all of Amundi products. In 2021, Amundi has engaged with 1364 companies.
- Vote: Amundi's voting policy responds to an holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy . This approach applies by default to all of Amundi products. In 2021, Amundi has voted 4 008 companies.
- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.



What were the top investments of this financial product?

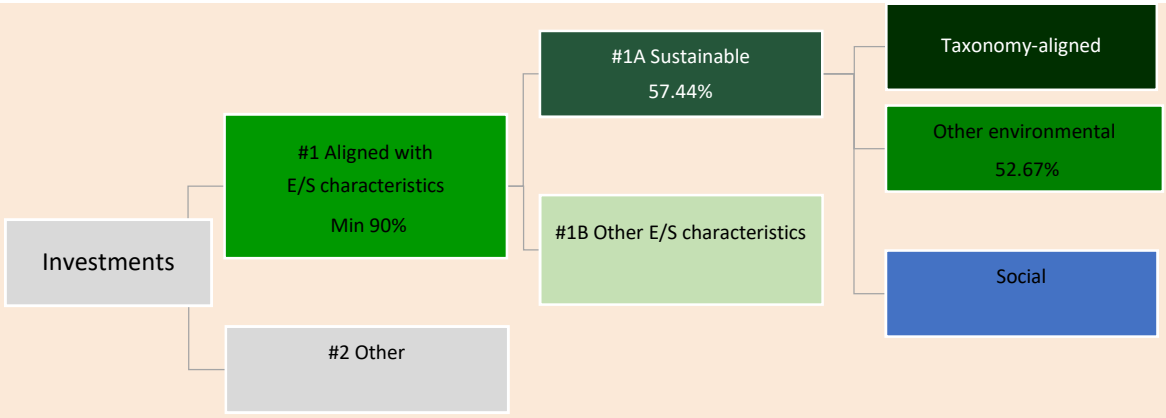
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/10/2021 to 30/09/2022**

Largest Investments	Sector	% Assets	Country
CS VAR 10/26	BANKING	0.18 %	CHE
JPM VAR 03/30 EMTN	BANKING	0.16 %	USA
DNBNO 0.05% 11/23 EMTN	BANKING	0.15 %	NOR
JPM VAR 03/27 EMTN	BANKING	0.15 %	USA
BFCM 1% 05/25 EMTN	BANKING	0.15 %	FRA
UCGIM VAR 06/26 EMTN	BANKING	0.15 %	ITA
VOD 2.20% 08/26	COMMUNICATIONS	0.14 %	GBR
GS 1.25% 01/05/25	BANKING	0.14 %	USA
NOVNVX % 09/28	CONSUMER_NON_CYCLICAL	0.14 %	CHE
GS 1.375% 05/24	BANKING	0.14 %	USA
SANFP 1% 03/26 8FXD	CONSUMER_NON_CYCLICAL	0.14 %	FRA
VZ 3.25% 2/26	COMMUNICATIONS	0.13 %	USA
RABOBK 1.375% 2/27	BANKING	0.13 %	NLD
DB 1.625% 01/27 EMTN	BANKING	0.13 %	DEU
NDASS 0.5% 11/28 EMTN	BANKING	0.13 %	FIN

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	***% Assets***
BANKING	*38.12 %*
CONSUMER_NON_CYCLICAL	*13.46 %*
COMMUNICATIONS	*8.52 %*
CONSUMER_CYCLICAL	*6.47 %*
CAPITAL_GOODS	*5.18 %*
INSURANCE	*5.15 %*
TECHNOLOGY	*3.98 %*
REITS	*3.85 %*
TRANSPORTATION	*3.74 %*
BASIC_INDUSTRY	*3.14 %*
FINANCIAL_OTHER	*2.99 %*
ELECTRIC	*1.76 %*
NATURAL_GAS	*1.19 %*
UTILITY_OTHER	*0.95 %*
BROKERAGE	*0.74 %*
INDUSTRIAL_OTHER	*0.30 %*

FINANCE_COMPANIES	*0.20 %*
ENERGY	*0.15 %*
Forex	*-0.00 %*
Cash	*0.10 %*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

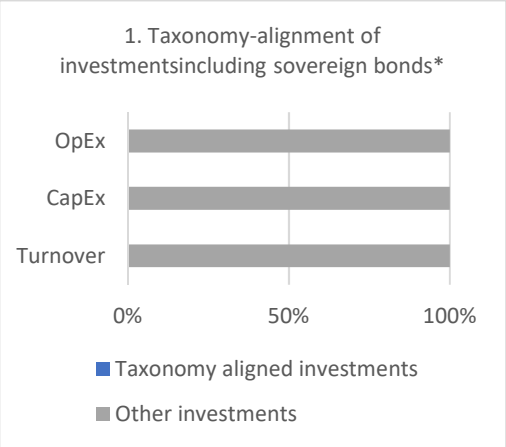
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

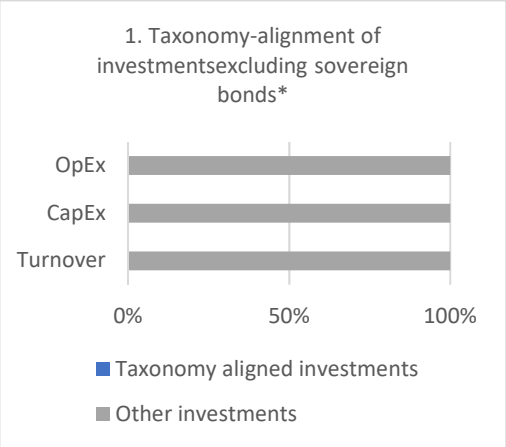
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas

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

Reliable data regarding the EU Taxonomy was not available during the period

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereig first graph shows the Taxonomy alignment in relation to all the investments of the financial prod sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the invest financial product other than sovereign bonds.





Data not yet available

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- ***What was the share of investments in transitional and enabling activities?***

Reliable data regarding transitional and enabling activities was not available during the period.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Reliable data regarding EU Taxonomy was not available during on the previous reference periods

emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with environmental objective not aligned to taxonomy is **52.67%**
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments?

This product does not commit to have social sustainable investments



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

"#2 Other" includes cash and unrated instruments held for the purpose of liquidity and portfolio risk management. There were no minimum environmental or social safeguards in place for these investments



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. Binding elements in the Index methodology ensure environmental and/or social characteristics are met at each rebalancing date. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy .



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error.

- ***How does the reference benchmark differ from a broad market index?***

Bloomberg MSCI Euro Corporate ESG Sustainability SRI Index is a bond index, representative of the corporate fixed-rate investment grade Euro denominated securities, that follows the rules of the Bloomberg Euro Aggregate Corporate Index (the "Parent Index") and applies sector and additional ESG criteria for security eligibility.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index

- ***How did this financial product perform compared with the reference benchmark?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index.

- ***How did this financial product perform compared with the broad market index?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. A comparison of the Index replicated by the Sub Fund vs its Parent index has already been detailed on section How did the sustainability indicators perform?

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
AMUNDI INDEX US CORP SRI

Legal entity identifier:
549300JEQE3CM0S0ZJ51

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

- ☐ **Yes**
- ☒ **No**

- ☐ It made **sustainable investments with an environmental objective: ___%**
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ It **promotes Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **32.94%** of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with a social objective
- ☐ It made a **sustainable investments with a social objective: ___%**
- ☐ It promotes E/S characteristics, but **will not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The investment objective of the Product is to track an Index, which is based on a Parent Index. At each of the Index rebalancing date, at least 20% of the Parent Index constituents were removed based on sustainability criteria, among others, an environmental, social and governance ("ESG") rating.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Date	Index	ESG Score	Coverage
30/09/2022	Bloomberg MSCI US Corporate ESG Sustainability SRI	6,9	100%

- ***… and compared to previous periods?***

  The above sustainability indicators were not compared to previous in the previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments were to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

At the investee company level this means that an investee company must be a "best performer" within its sector of activity on at least one of its material environmental or social factors. The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company.

In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score.

Amundi considers the second criterion as met if the investee company does not have significant exposure to activities not compatible with such criteria (e.g. tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production).

Principal adverse impacts are the most significant negative

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two tests:

The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors)
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector
- Be cleared of any controversy in relation to work conditions and human rights
- Be cleared of any controversy in relation to biodiversity and pollution

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first test, Amundi has defined a second test in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector.

- ***How were the indicators for adverse impacts on sustainability factors taken into account****?*

  The first DNSH test relies on monitoring the mandatory Principal Adverse Impacts indicators where robust data is available via a combination of indicators and specific thresholds or rules as described above.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labor relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

Amundi considers all the mandatory Principal Adverse Impacts applying to the Product's strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- Engagement: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories : to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy. This approach applies to all of Amundi products. In 2021, Amundi has engaged with 1364 companies.
- Vote: Amundi's voting policy responds to an holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information please refer to Amundi's Voting Policy . This approach applies by default to all of Amundi products. In 2021, Amundi has voted 4 008 companies.
- Controversies monitoring: Amundi has developed a controversy tracking system that relies on three data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.



What were the top investments of this financial product?

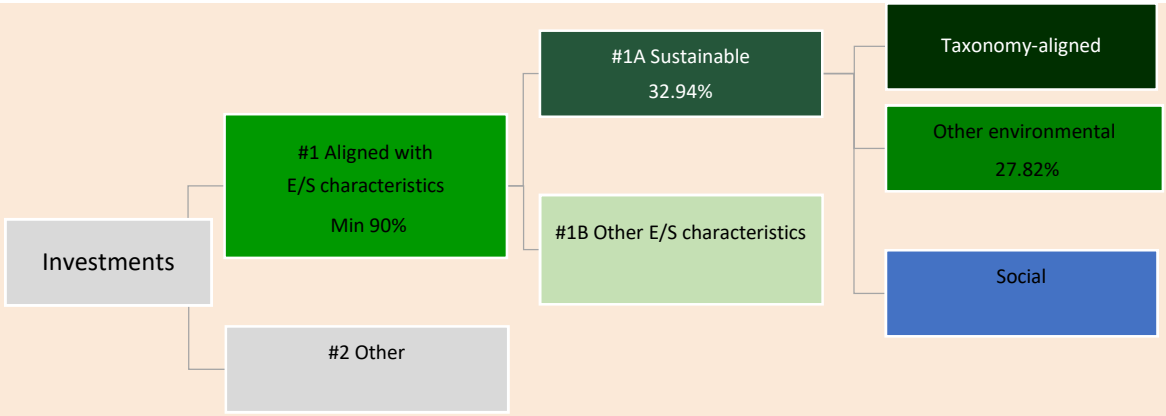
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/10/2021 to 30/09/2022**

Largest Investments	Sector	% Assets	Country
AT&T 3.5% 09/53	COMMUNICATIONS	0.32 %	USA
AT&T 3.55% 09/55	COMMUNICATIONS	0.31 %	USA
AT&T 2.55% 12/33	COMMUNICATIONS	0.26 %	USA
AT&T 0.9% 03/24	COMMUNICATIONS	0.25 %	USA
CVS 5.05% 03/48	CONSUMER_NON_CYCLICAL	0.18 %	USA
GS VAR 03/28	BANKING	0.16 %	USA
AT&T 1.7% 03/26	COMMUNICATIONS	0.15 %	USA
SANUK VAR 11/24	BANKING	0.14 %	GBR
GS 6.75% 10/37	BANKING	0.14 %	USA
BAC VAR 07/27	BANKING	0.14 %	USA
JPM VAR 02/27	BANKING	0.14 %	USA
WBD 5.141% 03/52 144A	COMMUNICATIONS	0.13 %	USA
C VAR 01/27	BANKING	0.13 %	USA
GS VAR 05/29	BANKING	0.13 %	USA
MS VAR 04/25	BANKING	0.13 %	USA

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	***% Assets***
BANKING	*29.00 %*
CONSUMER_NON_CYCLICAL	*14.72 %*
TECHNOLOGY	*13.27 %*
COMMUNICATIONS	*9.25 %*
CONSUMER_CYCLICAL	*7.45 %*
INSURANCE	*4.35 %*
CAPITAL_GOODS	*3.94 %*
ENERGY	*3.70 %*
ELECTRIC	*2.42 %*
REITS	*2.42 %*
TRANSPORTATION	*2.29 %*
BASIC_INDUSTRY	*2.27 %*
BROKERAGE	*1.55 %*
FINANCE_COMPANIES	*0.97 %*
NATURAL_GAS	*0.51 %*
UTILITY_OTHER	*0.24 %*

INDUSTRIAL_OTHER	*0.12 %*
FINANCIAL_OTHER	*0.05 %*
Forex	*-0.00 %*
Cash	*1.47 %*

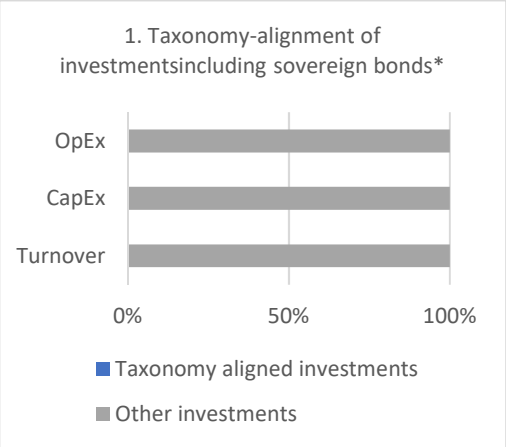
Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

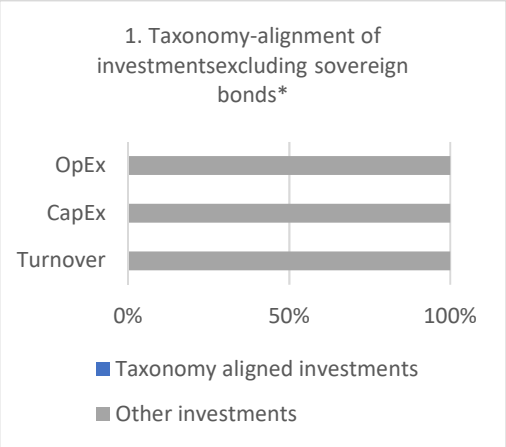
-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

Reliable data regarding the EU Taxonomy was not available during the period

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereig first graph shows the Taxonomy alignment in relation to all the investments of the financial prod sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the invest financial product other than sovereign bonds.





Data not yet available

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas

- ***What was the share of investments in transitional and enabling activities?***

Reliable data regarding transitional and enabling activities was not available during the period.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Reliable data regarding EU Taxonomy was not available during on the previous reference periods

emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with environmental objective not aligned to taxonomy is **27.82%**
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments?

This product does not commit to have social sustainable investments



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

"#2 Other" includes cash and unrated instruments held for the purpose of liquidity and portfolio risk management. There were no minimum environmental or social safeguards in place for these investments



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. Binding elements in the Index methodology ensure environmental and/or social characteristics are met at each rebalancing date. The Product strategy is also relying on systematic exclusions policies (normative and sectorial) as further described in Amundi Responsible Investment policy .



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error.

- ***How does the reference benchmark differ from a broad market index?***

Bloomberg MSCI US Corporate ESG Sustainability SRI Index is a bond index representative of the corporate fixed-rate, investment grade, USD denominated securities that follows the rules of the Bloomberg US Aggregate Corporate Index (the "Parent Index") and applies sector and additional ESG criteria for security eligibility.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index

- ***How did this financial product perform compared with the reference benchmark?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. As a result, the sustainability indicators of the Product performed overall in line with the ones of the Index.

- ***How did this financial product perform compared with the broad market index?***

This product is passively managed. Its investment strategy is to replicate the Index while minimizing the related tracking error. A comparison of the Index replicated by the Sub Fund vs its Parent index has already been detailed on section How did the sustainability indicators perform?

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA IM Fixed Income Investment Strategies - US SHORT DURATION HIGH YIELD **Entity LEI:** 2138004B7WO5WYWQR680

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 18.95% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	4.86 Score over max 10	4.79 Score over max 10	100%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
ARGIHC 7% - 15/06/2025 Call	Restaurants and mobile food service activities	1.53%	US
RDIO 6.75% - 15/07/2025 Call	Other manufacturing n.e.c.	1.4%	US

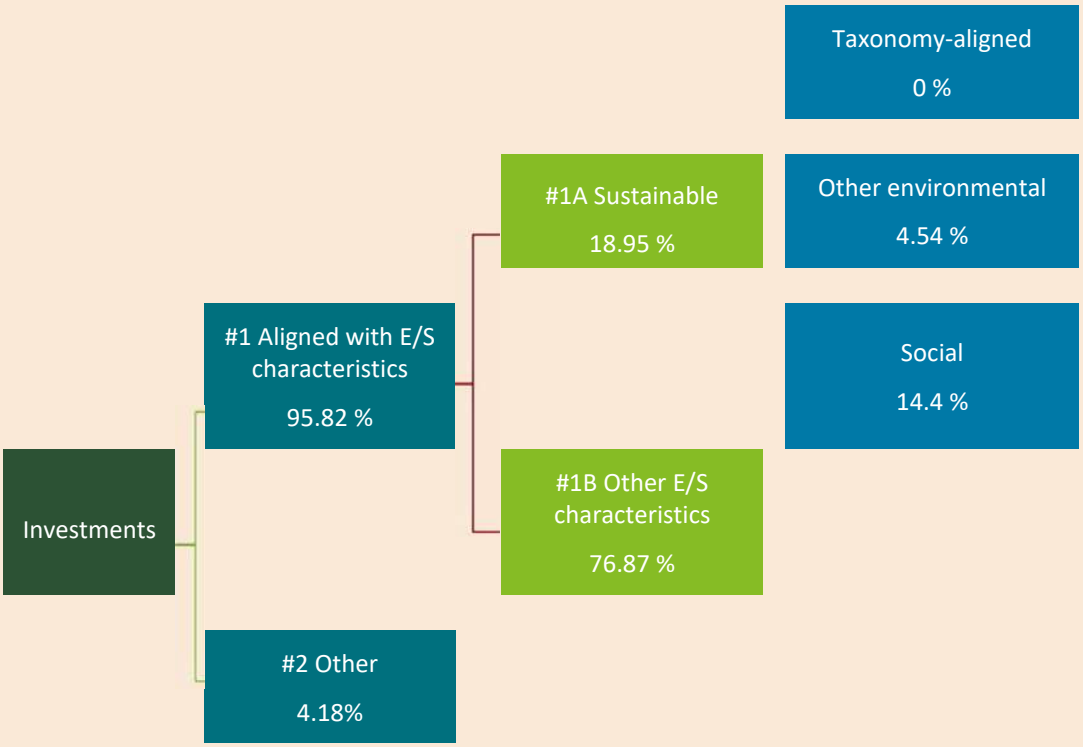
BWY 5.5% - 15/04/2024 Call	Manufacture of other articles of paper and paperboard	1.36%	US
BGS 5.25% - 01/04/2025 Call	Manufacture of condiments and seasonings	1.35%	US
COMM 6% - 01/03/2026 Call	Manufacture of communication equipment	1.34%	US
LABL 6.75% - 15/07/2026 Call	Manufacture of other articles of paper and paperboard	1.3%	US
CMLP 5.75% - 01/04/2025 Call	Transport via pipeline	1.26%	US
ARMK 6.375% - 01/05/2025 Call	Other food service activities	1.26%	US
SRCL 5.375% - 15/07/2024 Call	Collection of hazardous waste	1.23%	US
HLF 7.875% - 01/09/2025 Call	Manufacture of other food products n.e.c.	1.22%	US
GTN 5.875% - 15/07/2026 Call	Television programming and broadcasting activities	1.18%	US
VCVHHO 9.75% - 15/08/2026 Call	Other information service activities n.e.c.	1.16%	US
BMCAUS 5% - 15/02/2027 Call	Manufacture of other builders' carpentry and joinery	1.15%	US
GTN 7% - 15/05/2027 Call	Television programming and broadcasting activities	1.13%	US
GRSTAR 5.75% - 01/12/2025 Call	Renting and operating of own or leased real estate	1.12%	US

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Manufacture of other articles of paper and paperboard	5.6%
Renting and operating of own or leased real estate	5.16%
Satellite telecommunications activities	4.49%
Other software publishing	4.32%
Private security activities	4.2%
Other monetary intermediation	3.41%
Gambling and betting activities	3.22%
Television programming and broadcasting activities	3.22%
Transport via pipeline	3.16%
Hospital activities	2.87%
Wired telecommunications activities	2.77%
Activities of holding companies	2.65%
General public administration activities	2.6%
Manufacture of communication equipment	2.4%
Other food service activities	2.33%
Other manufacturing n.e.c.	2.24%
Manufacture of other builders' carpentry and joinery	2.2%
Restaurants and mobile food service activities	2.04%
Other credit granting	1.85%
Manufacture of hollow glass	1.6%
Other human health activities	1.58%
Retail sale of hardware, paints and glass in specialised stores	1.58%
Manufacture of light metal packaging	1.38%
Agents involved in the sale of food, beverages and tobacco	1.36%
Manufacture of condiments and seasonings	1.35%
Manufacture of batteries and accumulators	1.32%
Extraction of crude petroleum and natural gas	1.3%
Waste collection, treatment and disposal activities, materials recovery	1.27%
Collection of hazardous waste	1.23%
Manufacture of other food products n.e.c.	1.22%
Manufacture of motor vehicles	1.22%

Other information service activities n.e.c.	1.16%
Activities of amusement parks and theme parks	1.15%
Rental and leasing activities	1.09%
Advertising agencies	1.02%
Freight rail transport	0.99%
Aluminium production	0.98%
Other activities auxiliary to financial services, except insurance and pension funding	0.95%
Wireless telecommunications activities	0.9%
Manufacture of plastic packing goods	0.9%
Manufacture of electrical equipment	0.9%
Manufacture of underwear	0.88%
Motion picture, video and television programme production activities	0.88%
Support activities to performing arts	0.87%
Web portals	0.81%
Retail trade, except of motor vehicles and motorcycles	0.78%
Retail sale of automotive fuel in specialised stores	0.76%
Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.74%
Manufacture of chemicals and chemical products	0.68%
Activities of insurance agents and brokers	0.65%
Computer programming, consultancy and related activities	0.65%
Retail sale of sporting equipment in specialised stores	0.53%
Sale of cars and light motor vehicles	0.5%
Wholesale trade, except of motor vehicles and motorcycles	0.5%
Manufacture of grain mill products	0.48%
Architectural and engineering activities, technical testing and analysis	0.41%
Manufacture of other organic basic chemicals	0.38%
Manufacture of other parts and accessories for motor vehicles	0.28%
Manufacture of other special-purpose machinery n.e.c.	0.27%
Publishing of newspapers	0.27%
Manufacture of other inorganic basic chemicals	0.26%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Manufacture of other chemical products n.e.c.	0.22%
Manufacture of games and toys	0.19%
Manufacture of computers and peripheral equipment	0.18%
Other amusement and recreation activities	0.16%
Wholesale of chemical products	0.14%
Manufacture of machinery and equipment n.e.c.	0.1%
Processing and preserving of meat	0.09%
Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0.08%
Accommodation	0.06%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

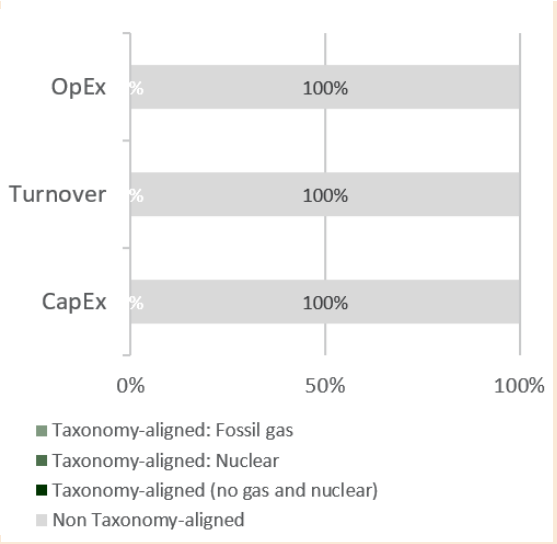
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

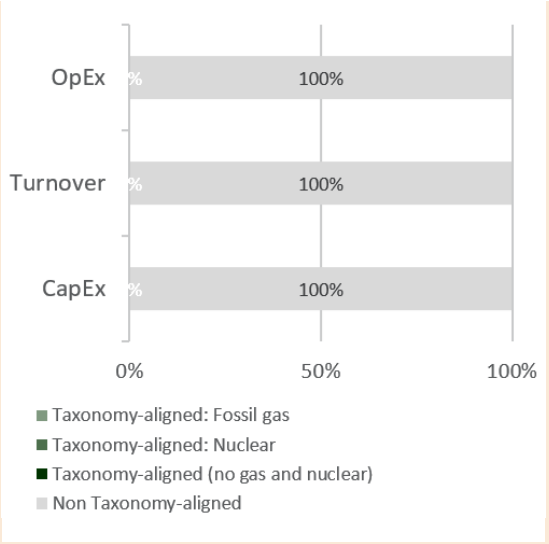
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

1. Taxonomy-alignment of investments **including sovereign bonds***

2. Taxonomy-alignment of investments **excluding sovereign bonds***

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 4.54% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 14.4% of sustainable investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 4.18% of the Financial Product's Net Asset Value. The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS – EURO CREDIT SHORT DURATION

Entity LEI: 213800R84TOP7WXDMI25

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 66.78% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	7.39 Score over max 10	7.33 Score over max 10	96.81%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.

- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	

SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

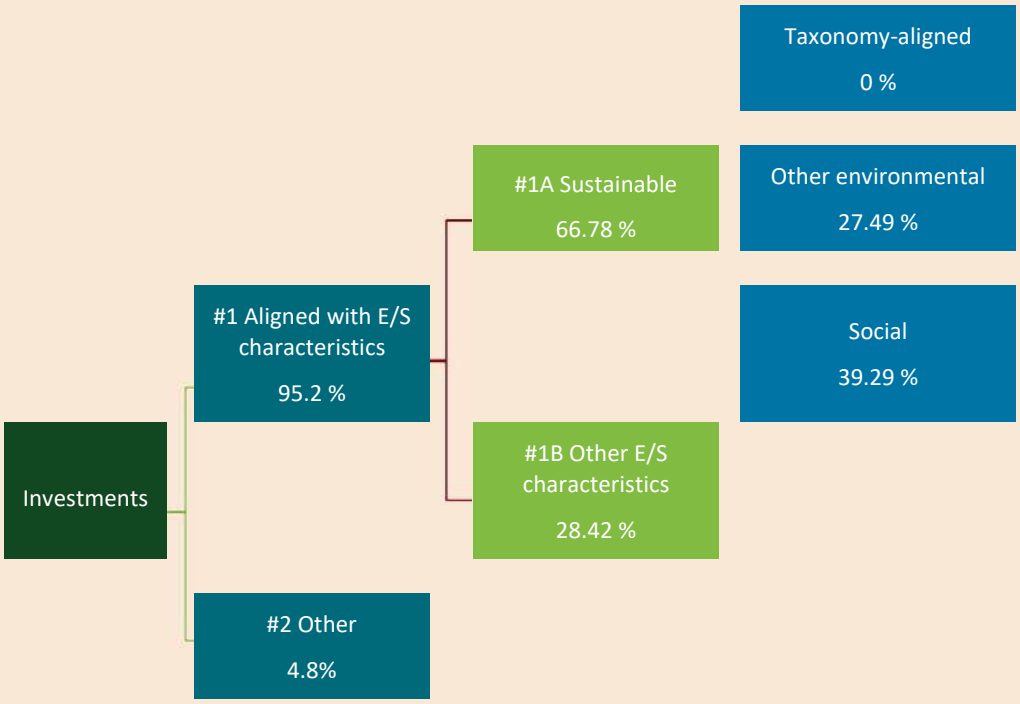
Top investments	Sector	Proportion	Country
AXA IM EURO LIQUIDITY SRI Capitalisation EUR pf	Trusts, funds and similar financial entities	2.19%	FR
BTF 0 - 22/02/2023	General public administration activities	1.54%	FR
ACHMEA 6% Var - 04/04/2043 Call	Non-life insurance	1.22%	NL
SRGIM 3.375% - 05/12/2026 Call	Distribution of gaseous fuels through mains	1.2%	IT
ACAFP 4% Var - 12/10/2026 Call	Other monetary intermediation	1.14%	FR
VZ 1.625% - 01/03/2024	Wireless telecommunications activities	1.12%	US
AXA WF Euro Credit Total Return M Capitalisation E	Trusts, funds and similar financial entities	1.11%	LU
BACR 3.375% Var - 02/04/2025 Call	Other monetary intermediation	1.07%	GB
BNP 0.5% Var - 15/07/2025 Call	Other monetary intermediation	1.04%	FR
CABKSM 0.625% - 01/10/2024	Other monetary intermediation	1.02%	ES
T 0.25% - 04/03/2026 Call	Wireless telecommunications activities	1%	US
ABESM 3.75% - 20/06/2023	Service activities incidental to land transportation	0.96%	ES
HEIBOS 2.125% - 05/09/2023 Call	Renting and operating of own or leased real estate	0.96%	SE
SANTAN 3.625% Var - 27/09/2026 Call	Trusts, funds and similar financial entities	0.92%	ES
FIREIT 2.195% - 11/09/2025 Call	Distribution of gaseous fuels through mains	0.89%	IT

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Other monetary intermediation	34.45%
Trusts, funds and similar financial entities	8.35%
Renting and operating of own or leased real estate	7.31%
Manufacture of motor vehicles	6.17%
Wireless telecommunications activities	4.98%
Electricity, gas, steam and air conditioning supply	4.78%
Other activities auxiliary to financial services, except insurance and pension funding	2.67%
Distribution of gaseous fuels through mains	2.66%
Production of electricity	2.29%
Manufacture of refined petroleum products	2.21%
Security and commodity contracts brokerage	2.13%
Manufacture of basic pharmaceutical products	1.94%
Life insurance	1.84%
General public administration activities	1.54%
Service activities incidental to land transportation	1.36%
Non-life insurance	1.32%
Manufacture of beer	0.98%
Advertising agencies	0.97%
Wired telecommunications activities	0.96%
Service activities incidental to air transportation	0.88%
Web portals	0.86%
Distribution of electricity	0.76%
Other credit granting	0.69%
Satellite telecommunications activities	0.68%
Financial leasing	0.66%
Passenger air transport	0.44%
Manufacture of electrical equipment	0.42%
Manufacture of motor vehicles, trailers and semi-trailers	0.39%
Manufacture of electrical and electronic equipment for motor vehicles	0.38%
Restaurants and mobile food service activities	0.36%

Retail trade, except of motor vehicles and motorcycles	0.35%
Manufacture of other non-metallic mineral products	0.34%
Passenger rail transport, interurban	0.34%
Water collection, treatment and supply	0.32%
Manufacture of electric motors, generators and transformers	0.32%
Wholesale trade, except of motor vehicles and motorcycles	0.31%
Transmission of electricity	0.3%
Manufacture of computers and peripheral equipment	0.29%
Research and experimental development on biotechnology	0.29%
Management of real estate on a fee or contract basis	0.28%
Manufacture of instruments and appliances for measuring, testing and navigation	0.26%
Manufacture of soft drinks, production of mineral waters and other bottled waters	0.25%
Land transport and transport via pipelines	0.22%
Manufacture of tobacco products	0.2%
Manufacture of chemicals and chemical products	0.18%
Reinsurance	0.17%
Other information service activities n.e.c.	0.15%



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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

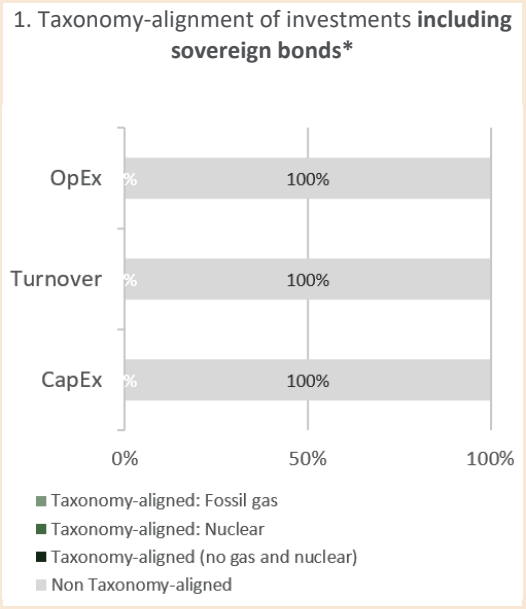
☒ No

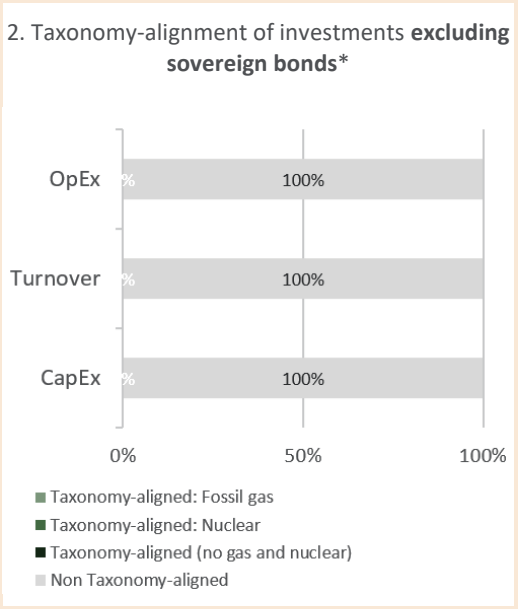
The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not**

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 27.49% for this Financial Product during the reference period.

take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 39.29% of sustainable investments with a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 4.8% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - EURO CREDIT TOTAL RETURN

Entity LEI: 213800FPDKN4GVHVJI39

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.93% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	7.25 Score over max 10	6.64 Score over max 10	96.09%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.

- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	

SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

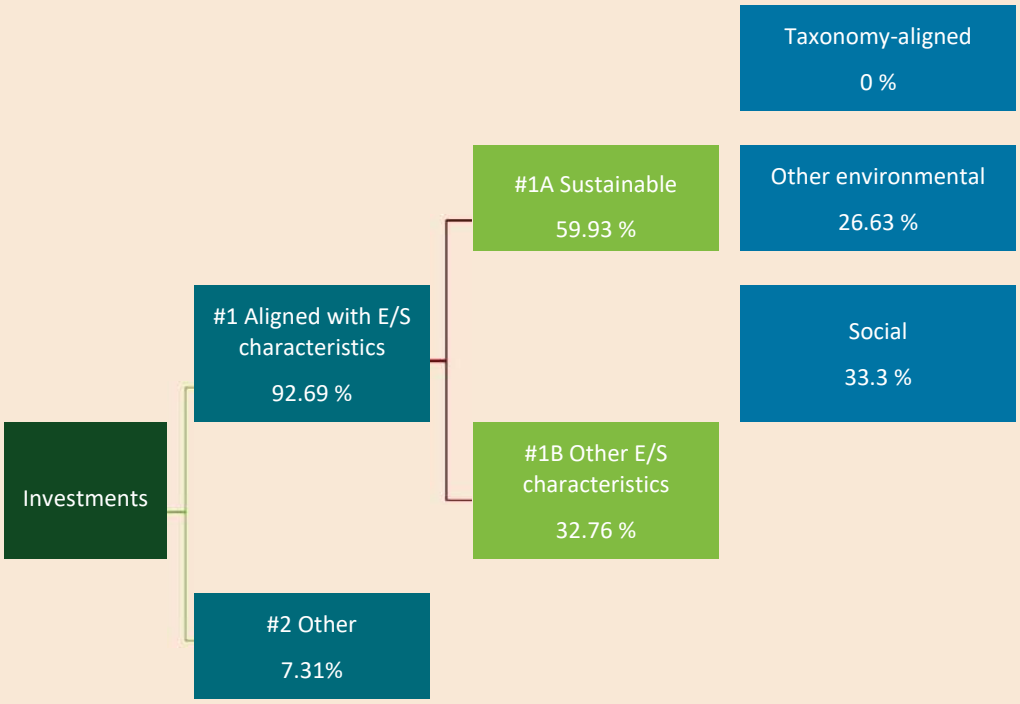
Top investments	Sector	Proportion	Country
DBR 2% - 15/08/2023	General public administration activities	2.42%	DE
RBIAV 7.375% Var - 20/12/2032 Call	Other monetary intermediation	1.87%	AT
REPSM 4.5% Var - 25/03/2075 Call	Manufacture of refined petroleum products	1.59%	NL
DB 5% Var - 05/09/2030 Call	Other monetary intermediation	1.38%	DE
DEVOBA 7% Var - 15/12/2027 Perp	Other monetary intermediation	1.37%	NL
EDF 4.375% - 12/10/2029 Call	Production of electricity	1.25%	FR
SABSM 2.5% Var - 15/04/2031 Call	Other monetary intermediation	1.16%	ES
JUSTLN 5% Var - 30/03/2031 Perp	Life insurance	1.1%	GB
UCGIM 5.375% Var - 03/06/2025 Perp	Other monetary intermediation	1.08%	IT
HCOB 6.25% - 18/11/2024	Other monetary intermediation	1.07%	DE
RABOBK 4.875% Var - 29/06/2029 Perp	Other monetary intermediation	1.02%	NL
UCGIM 2.731% Var - 15/01/2032 Call	Other monetary intermediation	1.01%	IT
VOD 3.1% Var - 03/01/2079 Call	Wireless telecommunications activities	0.96%	GB
HSBC 6.364% Var - 16/11/2032 Call	Other monetary intermediation	0.96%	GB
ULFP 2.125% Var - 25/07/2023 Perp	Renting and operating of own or leased real estate	0.95%	FR

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Other monetary intermediation	45.84%
Renting and operating of own or leased real estate	13.43%
Life insurance	9.32%
Manufacture of refined petroleum products	3.92%
Production of electricity	3.16%
Wired telecommunications activities	2.47%
General public administration activities	2.42%
Non-life insurance	1.84%
Electricity, gas, steam and air conditioning supply	1.82%
Wireless telecommunications activities	1.75%
Distribution of gaseous fuels through mains	1.56%
Trusts, funds and similar financial entities	1.11%
Service activities incidental to land transportation	0.99%
Civil engineering	0.75%
Activities of insurance agents and brokers	0.7%
Research and experimental development on biotechnology	0.69%
Transmission of electricity	0.61%
Warehousing and support activities for transportation	0.58%
Other activities auxiliary to financial services, except insurance and pension funding	0.57%
Manufacture of motor vehicles	0.55%
Distribution of electricity	0.5%
Construction of utility projects for electricity and telecommunications	0.5%
Manufacture of other inorganic basic chemicals	0.46%
Reinsurance	0.44%
Manufacture of other chemical products n.e.c.	0.44%
Service activities incidental to air transportation	0.42%
Retail trade, except of motor vehicles and motorcycles	0.38%
Manufacture of builders ware of plastic	0.38%
Manufacture of instruments and appliances for measuring, testing and navigation	0.34%

Manufacture of concrete products for construction purposes	0.29%
Manufacture of other parts and accessories for motor vehicles	0.27%
Private security activities	0.25%
Collection of non-hazardous waste	0.22%
Manufacture of chemicals and chemical products	0.22%
Rental and leasing activities	0.2%
Other human health activities	0.19%
Other financial service activities, except insurance and pension funding n.e.c.	0.19%
Combined facilities support activities	0.16%
Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	0.09%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

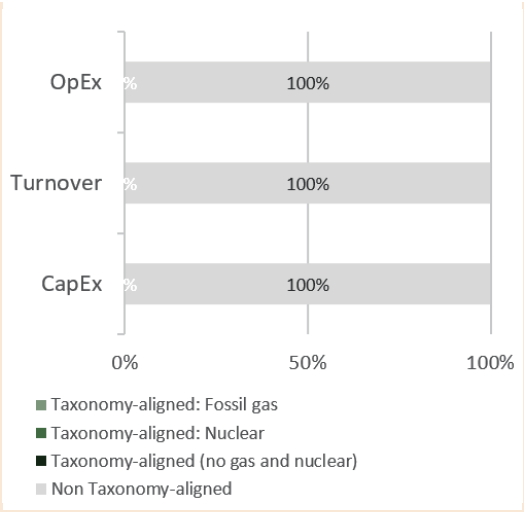
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

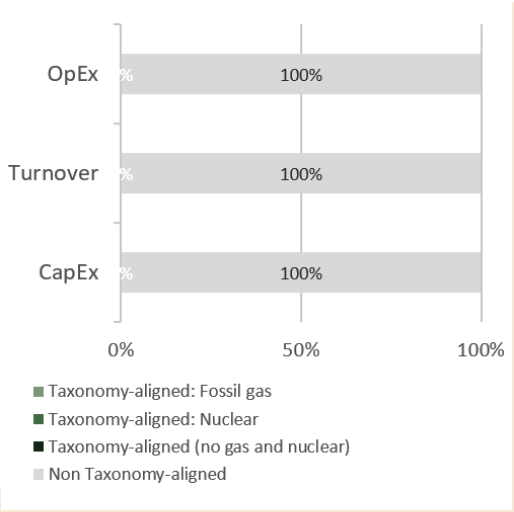
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

1. Taxonomy-alignment of investments **including sovereign bonds***

2. Taxonomy-alignment of investments **excluding sovereign bonds***

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 26.63% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 33.3% of sustainable investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining “Other” investments represented 7.31% of the Financial Product’s Net Asset Value.

The “other” assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - EURO INFLATION BONDS

Entity LEI: 2138002DL7V1IO568C73

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 3.28% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	5.85 Score over max 10	5.82 Score over max 10	99.87%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the

OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product, as well as through the filters based on UN Sustainable Development Goals scoring.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
SDG no significantly negative score	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	

ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
SDG no significantly negative score	PAI 13: Board gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
DBRI 0.5% - 15/04/2030 CPI	General public administration activities	5.18%	DE
FRTR 0.7% - 25/07/2030 CPI	General public administration activities	3.97%	FR
FRTR 1.85% - 25/07/2027 CPI	General public administration activities	3.76%	FR
BTPS 1.3% - 15/05/2028 CPI	General public administration activities	3.72%	IT

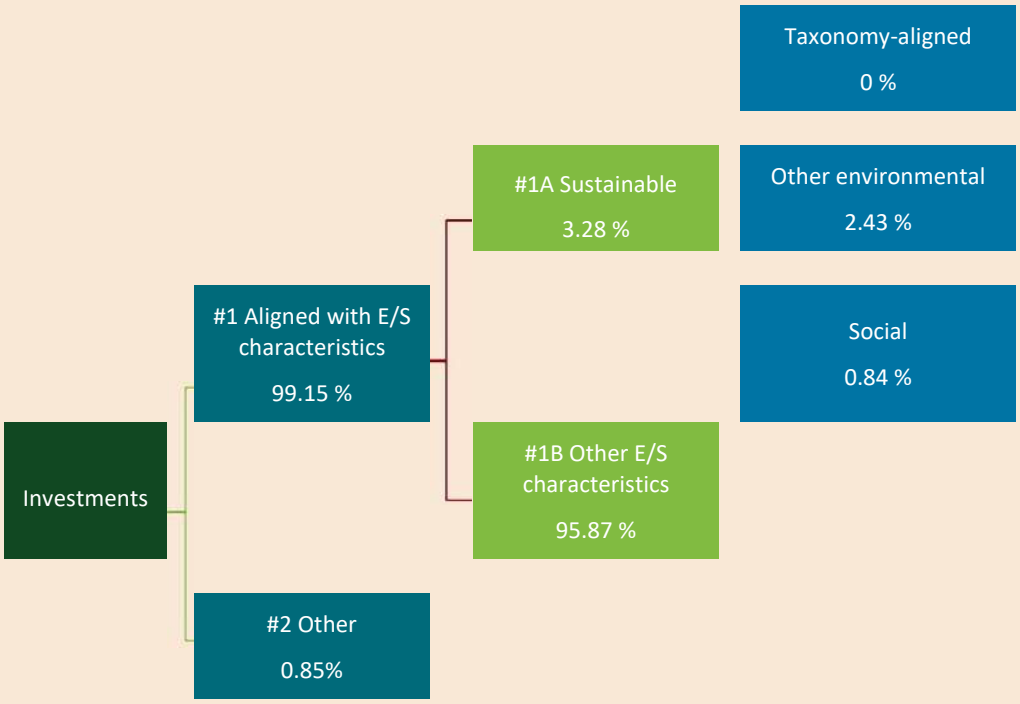
FRTR 0.25% - 25/07/2024 CPI	General public administration activities	3.68%	FR
SPGBEI 1% - 30/11/2030 CPI	General public administration activities	3.63%	ES
SPGBEI 1.8% - 30/11/2024 CPI	General public administration activities	3.59%	ES
BTPS 2.35% - 15/09/2035 CPI	General public administration activities	3.49%	IT
BTPS 2.55% - 15/09/2041 CPI	General public administration activities	3.37%	IT
DBRI 0.1% - 15/04/2046 CPI	General public administration activities	3.35%	DE
SPGBEI 0.7% - 30/11/2033 CPI	General public administration activities	3.34%	ES
FRTR 0.1% - 25/07/2031 CPI	General public administration activities	3.27%	FR
BTPS 3.1% - 15/09/2026 CPI	General public administration activities	3.21%	IT
FRTR 1.8% - 25/07/2040 CPI	General public administration activities	3.19%	FR
FRTR 3.15% - 25/07/2032 CPI	General public administration activities	3.13%	FR

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
General public administration activities	97.11%
Trusts, funds and similar financial entities	2.89%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

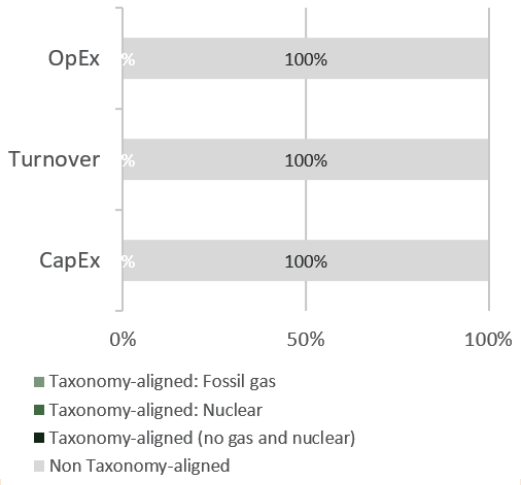
☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

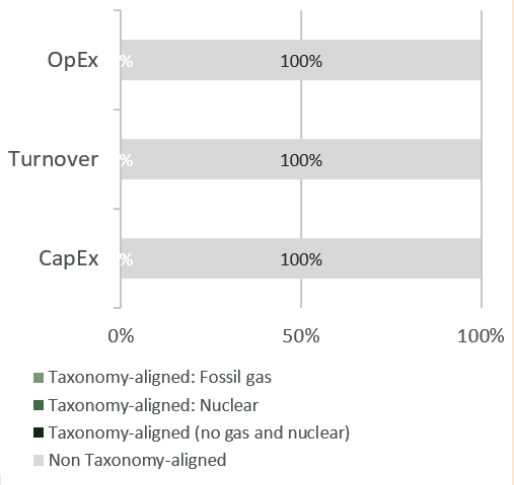
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 2.43% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 0.84% of sustainable investments with a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 0.85% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production

derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - EUROPE REAL ESTATE **Entity LEI:** 2138008R5O4FRND4OA57

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **YES**	☒ **NO**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	7.92 Score over max 10	7.46 Score over max 10	98.48%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

The Financial product did not make any sustainable investments during the reference period.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Financial product did not make any sustainable investments during the reference period.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial product did not make any sustainable investments during the reference period.

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

The Financial product did not make any sustainable investments during the reference period.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
SEGRO PLC XLON GBP	Renting and operating of own or leased real estate	6.27%	GB
VONOVIA SE XETR EUR	Renting and operating of own or leased real estate	5.26%	DE

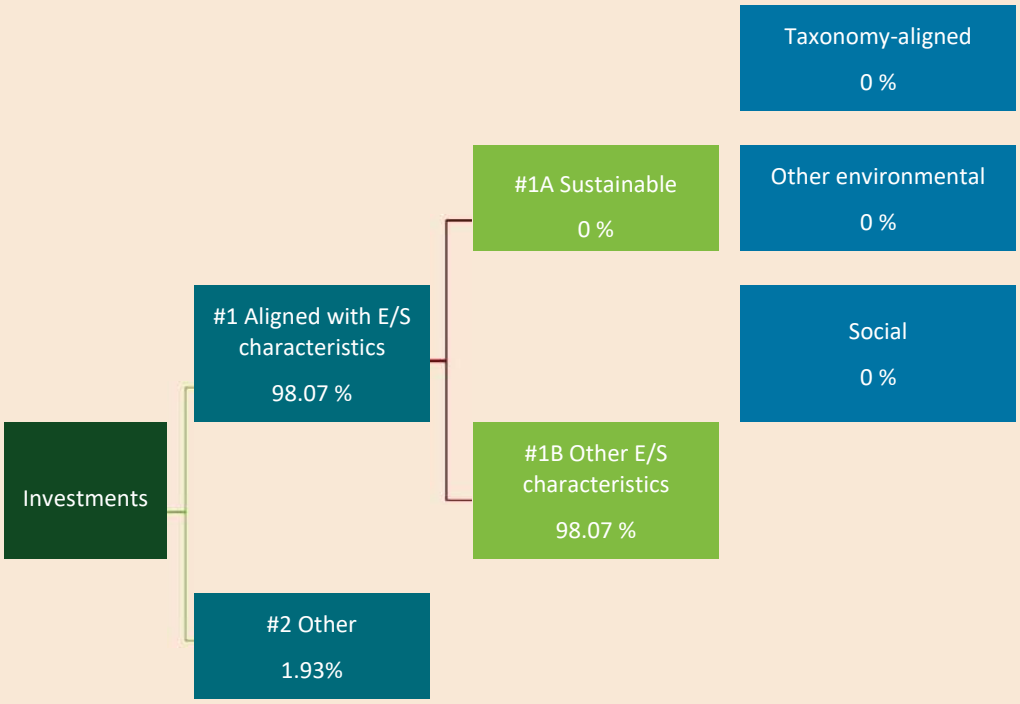
LEG IMMOBILIEN SE XETR EUR	Renting and operating of own or leased real estate	5.04%	DE
BRITISH LAND CO PLC XLON GBP	Renting and operating of own or leased real estate	5.03%	GB
KLEPIERRE XPAR EUR	Renting and operating of own or leased real estate	4.81%	FR
PSP SWISS PROPERTY AG-REG XSWX CHF	Renting and operating of own or leased real estate	4.45%	CH
SAFESTORE HOLDINGS PLC XLON GBP	Renting and operating of own or leased real estate	4.15%	GB
UNITE GROUP PLC/THE XLON GBP	Renting and operating of own or leased real estate	3.77%	GB
LAND SECURITIES GROUP PLC XLON GBP	Renting and operating of own or leased real estate	3.51%	GB
AEDIFICA XBRU EUR	Renting and operating of own or leased real estate	3.43%	BE
COFINIMMO XBRU EUR	Renting and operating of own or leased real estate	2.98%	BE
GECINA SA XPAR EUR	Renting and operating of own or leased real estate	2.78%	FR
CATENA AB XSTO SEK	Renting and operating of own or leased real estate	2.69%	SE
KOJAMO OYJ XHEL EUR	Renting and operating of own or leased real estate	2.33%	FI
DERWENT LONDON PLC XLON GBP	Renting and operating of own or leased real estate	2.27%	GB

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
Renting and operating of own or leased real estate	95.21%
Management of real estate on a fee or contract basis	2.86%
Real estate activities	1.1%
Activities of holding companies	0.83%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

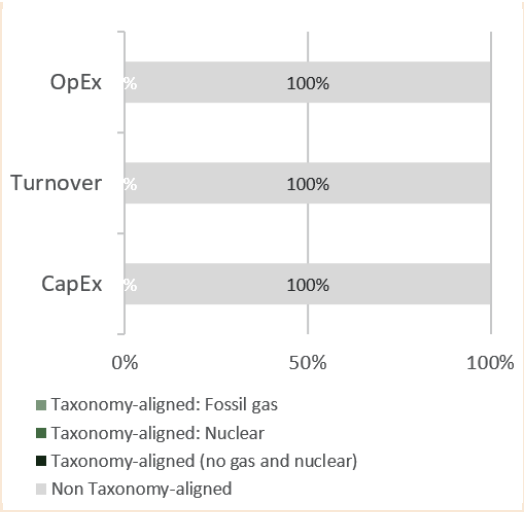
Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

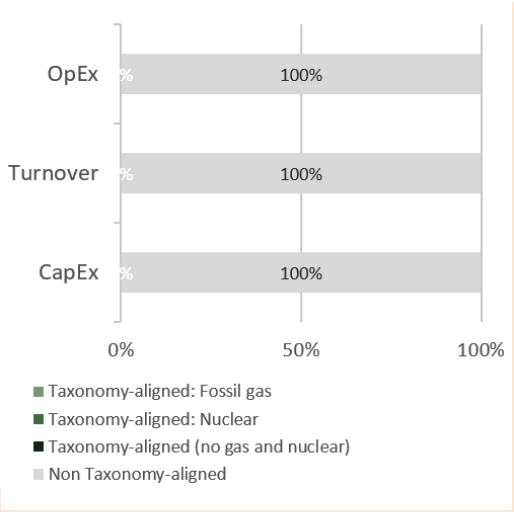
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

1. Taxonomy-alignment of investments **including sovereign bonds***

2. Taxonomy-alignment of investments **excluding sovereign bonds***

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 1.93% of the Financial Product's Net Asset Value.

The “other” assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product and
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be equity related instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and/or for diversification and/or hedging purposes.

Environmental or social safeguards are applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIs managed by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - FRAMLINGTON GLOBAL CONVERTIBLES

Entity LEI: 213800CD6MRQ8HCAOB54

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 65.17% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- Carbon intensity

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
Carbon intensity	154.67 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	372.98 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	96.03%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
DXCM 0.25% - 15/11/2025 Conv	Manufacture of medical and dental instruments and supplies	2.27%	US
EDENFP 0 - 06/09/2024 Conv	Other business support service activities n.e.c.	2.27%	FR

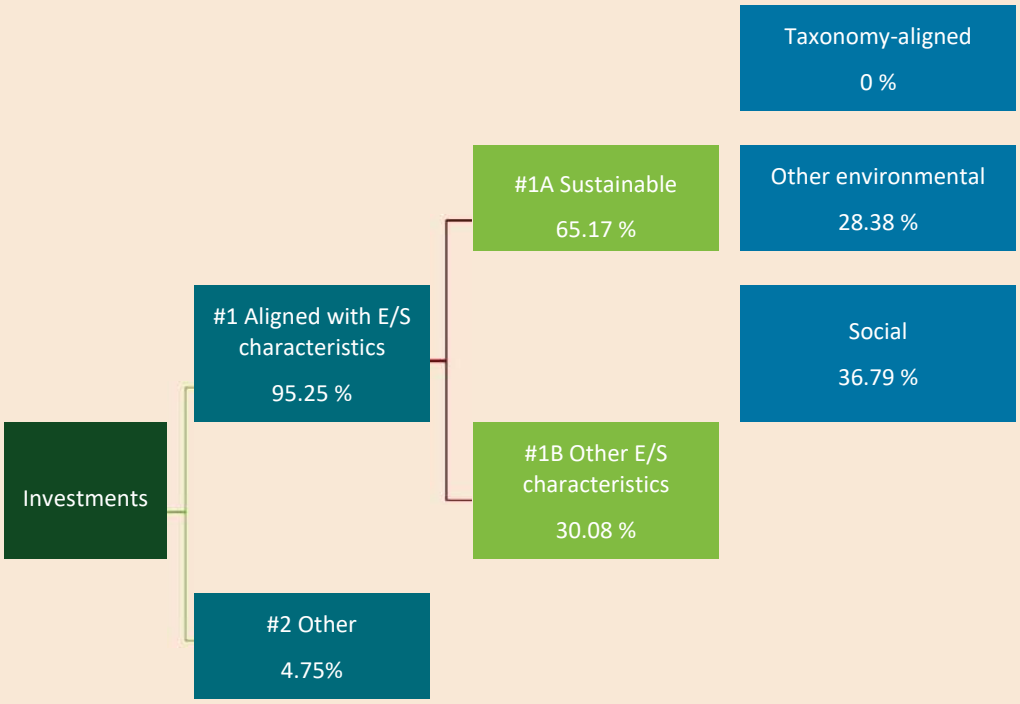
AKAM 0.375% - 01/09/2027 Conv	Other software publishing	2.25%	US
JPM 0 - 10/06/2024 Conv	Trusts, funds and similar financial entities	2.21%	FR
LUV 1.25% - 01/05/2025 Conv	Trusts, funds and similar financial entities	2.17%	US
SHOPCN 0.125% - 01/11/2025 Conv	Other software publishing	1.97%	CA
PRYIM 0 - 02/02/2026 Conv	Manufacture of electrical equipment	1.83%	IT
ENPH 0 - 01/03/2026 Conv	Manufacture of other electrical equipment	1.79%	US
SUFP 0 - 15/06/2026 Conv	Manufacture of electric motors, generators and transformers	1.78%	FR
BNP 0 - 13/05/2025 Conv	Other monetary intermediation	1.77%	FR
F 0 - 15/03/2026 Conv	Manufacture of motor vehicles	1.71%	US
STM 0 - 04/08/2025 Conv	Manufacture of electronic components	1.68%	CH
Z 2.75% - 15/05/2025 Conv	Web portals	1.66%	US
MLFP 0 - 10/11/2023 Conv	Manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres	1.57%	FR
MITCHM 0 - 29/03/2024 Conv	Manufacture of chemicals and chemical products	1.56%	JP

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Other software publishing	15.35%
Web portals	6.34%
Trusts, funds and similar financial entities	4.96%
Security and commodity contracts brokerage	4.05%
Manufacture of medical and dental instruments and supplies	3.97%
Passenger air transport	3.66%
Other monetary intermediation	3.66%
Manufacture of electronic components	3.4%
Other business support service activities n.e.c.	3.33%
Activities of holding companies	3.25%
Retail sale via mail order houses or via Internet	2.87%
Other activities auxiliary to financial services, except insurance and pension funding	2.77%
Publishing of computer games	2.62%
Manufacture of other electrical equipment	2.58%
Manufacture of motor vehicles	2.38%
Production of electricity	2.35%
Manufacture of pharmaceutical preparations	2.35%
Research and experimental development on biotechnology	2.12%
Manufacture of electrical equipment	1.83%
Wireless telecommunications activities	1.8%
Manufacture of electric motors, generators and transformers	1.78%
Mining of other non-ferrous metal ores	1.77%
Manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres	1.57%
Manufacture of chemicals and chemical products	1.56%
Manufacture of basic pharmaceutical products	1.53%
Construction of utility projects for electricity and telecommunications	1.49%
Manufacture of air and spacecraft and related machinery	1.39%
Computer programming, consultancy and related activities	1.35%

Satellite telecommunications activities	1.33%
Water collection, treatment and supply	1.17%
Retail sale of clothing in specialised stores	1.05%
Manufacture of concrete products for construction purposes	1.01%
Transport via pipeline	0.84%
Data processing, hosting and related activities	0.83%
Television programming and broadcasting activities	0.75%
Other human health activities	0.75%
Other amusement and recreation activities	0.73%
Manufacture of other chemical products n.e.c.	0.71%
Manufacture of other special-purpose machinery n.e.c.	0.68%
Electricity, gas, steam and air conditioning supply	0.66%
Manufacture of computers and peripheral equipment	0.53%
Extraction of crude petroleum and natural gas	0.37%
Manufacture of instruments and appliances for measuring, testing and navigation	0.35%
General public administration activities	0.19%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

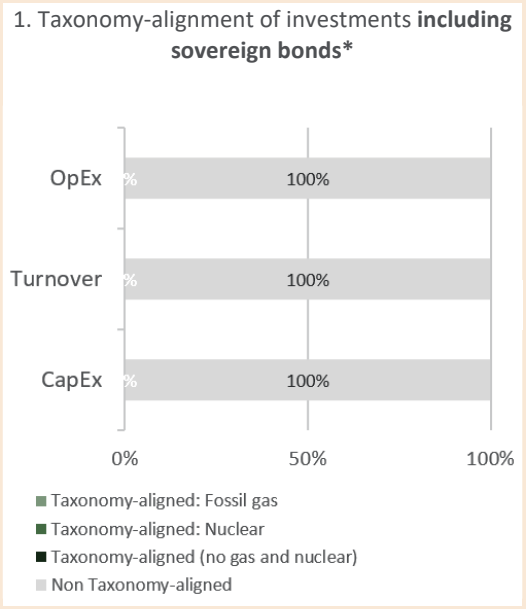
☒ No

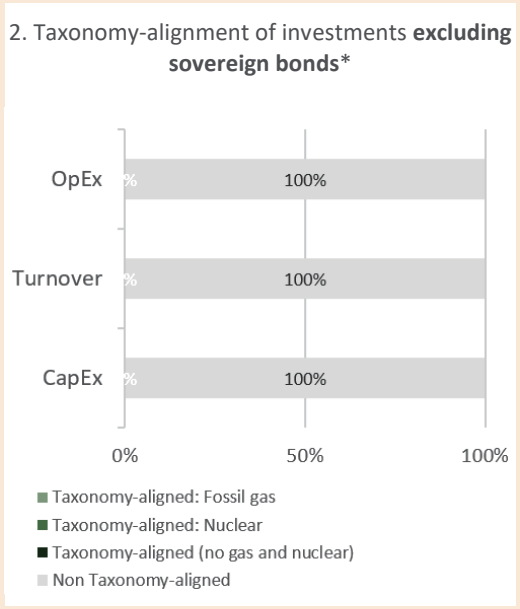
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[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not**

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 28.38% for this Financial Product during the reference period.

take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 36.79% of sustainable investments with a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 4.75% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/orSocial criteria described in this appendix. Such assets may be equity instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - ITALY EQUITY **Entity LEI:** 213800LNEKJGN8QM7D48

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **YES**	☒ **NO**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 70.88% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- Carbon intensity

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

Sustainability KPI Name	Value	Benchmark	Coverage
Carbon intensity	226.13 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	267.01 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	92.12%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.

Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product, as well as through the filters based on UN Sustainable Development Goals scoring.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
SDG no significantly negative score	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	

ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
SDG no significantly negative score	PAI 13: Board gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
INTESA SANPAOLO MTAA EUR	Other monetary intermediation	9.44%	IT
ENEL SPA MTAA EUR	Electricity, gas, steam and air conditioning supply	9.34%	IT
FINECOBANK SPA MTAA EUR	Other monetary intermediation	8.89%	IT
PRYSMIAN SPA MTAA EUR	Manufacture of electrical equipment	6.03%	IT

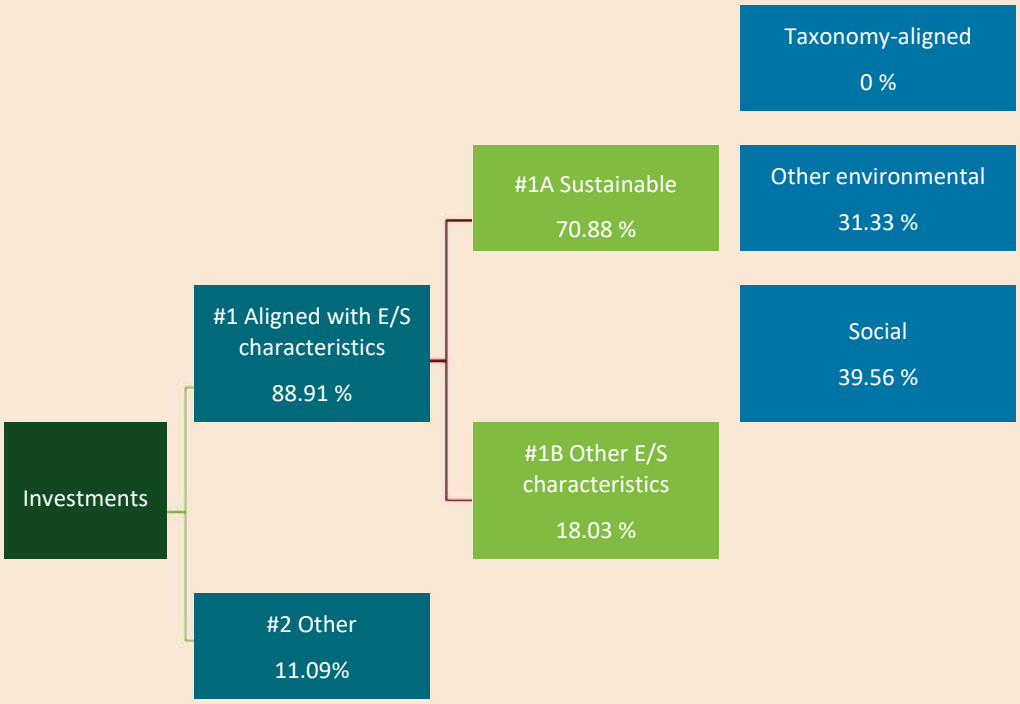
CNH INDUSTRIAL NV MTAA EUR	Manufacture of agricultural and forestry machinery	5.01%	GB
TERNA-RETE ELETTRICA NAZIONA MTAA EUR	Transmission of electricity	4.5%	IT
STELLANTIS NV MTAA EUR	Manufacture of motor vehicles	4.35%	NL
ERG SPA MTAA EUR	Production of electricity	4.12%	IT
STMICROELECTRONICS NV MTAA EUR	Manufacture of electronic components	4.04%	CH
MEDIOBANCA SPA MTAA EUR	Other monetary intermediation	3.9%	IT
NEXI SPA MTAA EUR	Other activities auxiliary to financial services, except insurance and pension funding	3.9%	IT
SSGA-CSH EUR-EUR D	Trusts, funds and similar financial entities	3.28%	IE
INTERPUMP GROUP SPA MTAA EUR	Manufacture of fluid power equipment	2.67%	IT
TECHNOPROBE SPA MTAA EUR	Manufacture of other special-purpose machinery n.e.c.	2.51%	IT
DIASORIN SPA MTAA EUR	Manufacture of pharmaceutical preparations	2.47%	IT

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Other monetary intermediation	26.6%
Electricity, gas, steam and air conditioning supply	9.34%
Manufacture of electrical equipment	6.03%
Manufacture of agricultural and forestry machinery	5.01%
Transmission of electricity	4.5%
Manufacture of motor vehicles	4.35%
Production of electricity	4.12%
Manufacture of electronic components	4.04%
Other activities auxiliary to financial services, except insurance and pension funding	3.9%
Manufacture of other special-purpose machinery n.e.c.	3.63%
Trusts, funds and similar financial entities	3.28%
Manufacture of fluid power equipment	2.67%
Manufacture of pharmaceutical preparations	2.47%
Other software publishing	2.31%
Wholesale of pharmaceutical goods	1.65%
Motion picture, video and television programme production activities	1.65%
Manufacture of perfumes and toilet preparations	1.56%
Manufacture of wearing apparel	1.5%
Manufacture of electric domestic appliances	1.49%
Other postal and courier activities	1.26%
Manufacture of sports goods	1.13%
Non-specialised wholesale of food, beverages and tobacco	0.9%
Manufacture of basic pharmaceutical products	0.79%
Manufacture of food products	0.72%
Distribution of electricity	0.7%
Computer programming activities	0.63%
Web portals	0.62%
Real estate activities	0.6%
Computer programming, consultancy and related activities	0.55%

Manufacture of medical and dental instruments and supplies	0.55%
Manufacture of other parts and accessories for motor vehicles	0.51%
Manufacture of batteries and accumulators	0.5%
Manufacture of air and spacecraft and related machinery	0.45%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

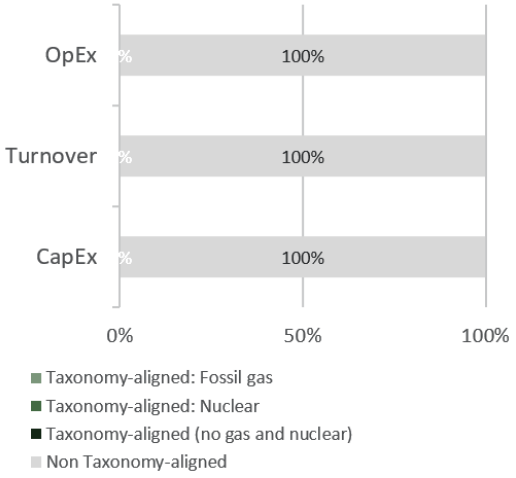
☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

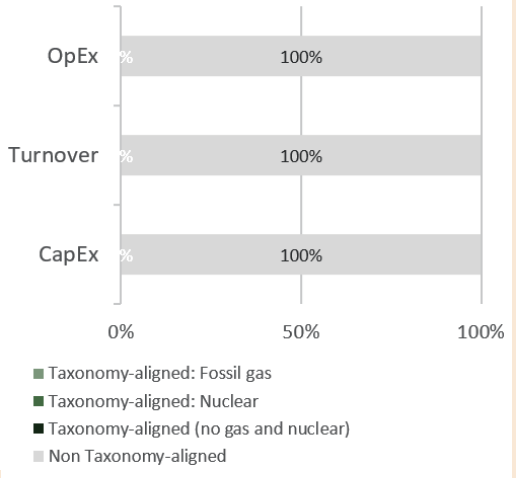
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 31.33% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 39.56% of sustainable investments with a social objective.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The remaining “Other” investments represented 11.09% of the Financial Product’s Net Asset Value.

The “other” assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/orSocial criteria described in this appendix. Such assets may be equity instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - ROBOTECH **Entity LEI:** 213800CU3X4UQM7PY924

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 66.66% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- Carbon intensity
- Water Intensity

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has applied a socially responsible investment selectivity approach Best-in-Class on the investment universe during the reference period. The selectivity approach has reduced the investment universe at least by 20% based on a combination of AXA IM's Sectorial Exclusion and ESG Standards policies and their ESG Score to the exception of cash held on an ancillary basis and Solidarity Assets.

In addition, the investment strategy has outperformed its benchmark or investment universe on at least two ESG Key Performance Indicator that are Carbon intensity and Water Intensityduring the reference period.

During the reference period, the following minimum coverage rates have been applied with the Financial Product portfolio (expressed as a percentage of at least % of the net assets, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets): i) 90% for the ESG analysis, ii) 90% for the Carbon intensity indicator and iii) 70% for the Water Intensityindicator.

Sustainability KPI Name	Value	Benchmark	Coverage
Carbon intensity	95.78 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	238.18 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	97.24%
Water intensity	472.75Thousands of cubic meters for corporates	11618.89Thousands of cubic meters for corporates	97.24%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	

SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

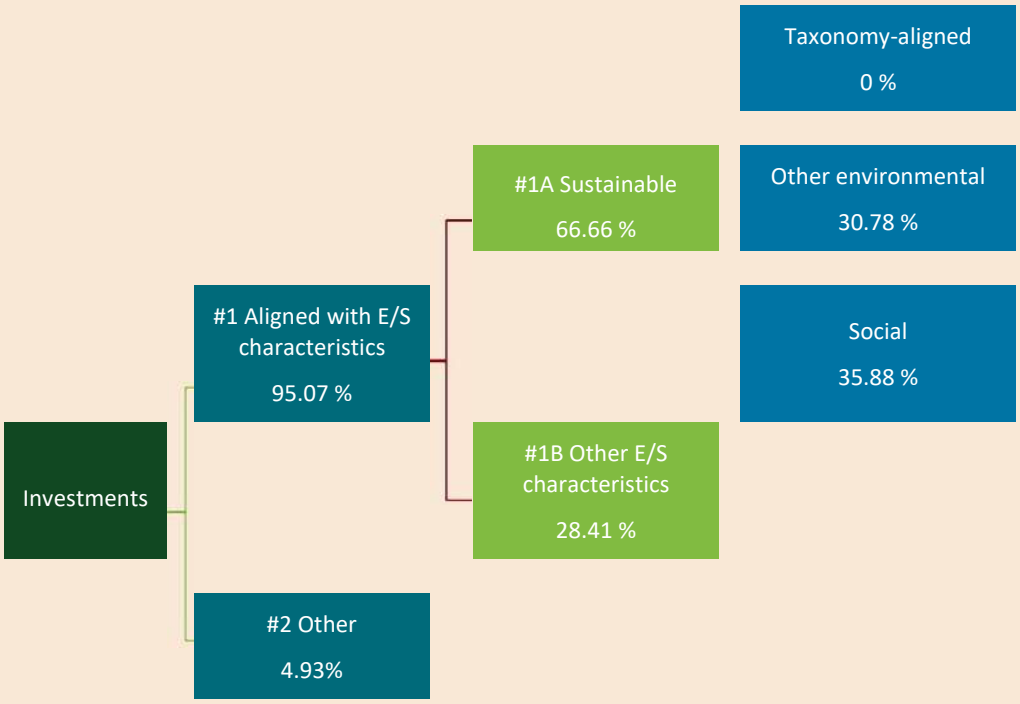
Top investments	Sector	Proportion	Country
INTUITIVE SURGICAL INC XNGS USD	Manufacture of medical and dental instruments and supplies	4.39%	US
DEXCOM INC XNGS USD	Manufacture of medical and dental instruments and supplies	4.09%	US
KEYENCE CORP XTKS JPY	Manufacture of other special-purpose machinery n.e.c.	3.68%	JP
SIEMENS AG-REG XETR EUR	Manufacture of electrical equipment	3.67%	DE
THERMO FISHER SCIENTIFIC INC XNYS USD	Manufacture of instruments and appliances for measuring, testing and navigation	3.28%	US
QUALCOMM INC XNGS USD	Manufacture of electronic components	3.09%	US
SILICON LABORATORIES INC XNGS USD	Manufacture of electronic components	2.95%	US
CADENCE DESIGN SYS INC XNGS USD	Other software publishing	2.92%	US
FANUC CORP XTKS JPY	Manufacture of other special-purpose machinery n.e.c.	2.89%	JP
ALPHABET INC-CL C XNGS USD	Web portals	2.81%	US
AXONICS INC XNGS USD	Manufacture of irradiation, electromedical and electrotherapeutic equipment	2.41%	US
SCHNEIDER ELECTRIC SE XPAR EUR	Manufacture of electric motors, generators and transformers	2.4%	FR
NVIDIA CORP XNGS USD	Manufacture of electronic components	2.37%	US
INFINEON TECHNOLOGIES AG XETR EUR	Manufacture of electronic components	2.36%	DE
TERADYNE INC XNGS USD	Manufacture of other special-purpose machinery n.e.c.	2.34%	US

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
Manufacture of electronic components	23.77%
Manufacture of other special-purpose machinery n.e.c.	17.88%
Manufacture of medical and dental instruments and supplies	12.63%
Other software publishing	10.24%
Manufacture of instruments and appliances for measuring, testing and navigation	7.17%
Manufacture of electrical equipment	5.36%
Manufacture of electric motors, generators and transformers	3.49%
Web portals	2.81%
Manufacture of communication equipment	2.44%
Manufacture of irradiation, electromedical and electrotherapeutic equipment	2.41%
Manufacture of lifting and handling equipment	2.33%
Retail sale via mail order houses or via Internet	2.18%
Manufacture of computer, electronic and optical products	2.09%
Manufacture of electrical and electronic equipment for motor vehicles	2.01%
Manufacture of machinery for food, beverage and tobacco processing	1.08%
Other business support service activities n.e.c.	0.81%
Retail trade, except of motor vehicles and motorcycles	0.75%
Manufacture of motor vehicles	0.56%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐Yes

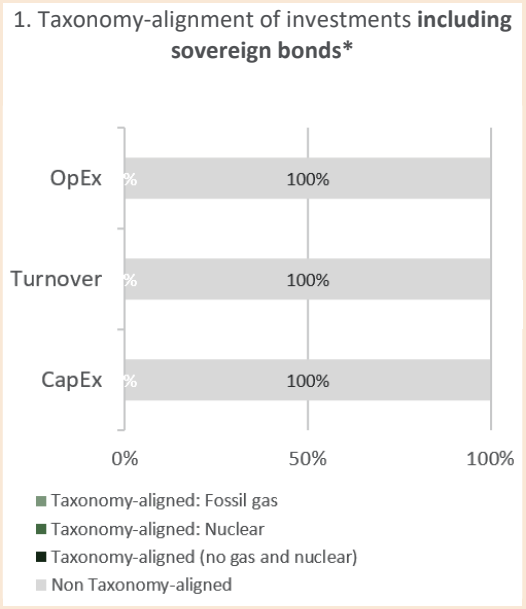
☐ In fossil gas ☐ In nuclear energy

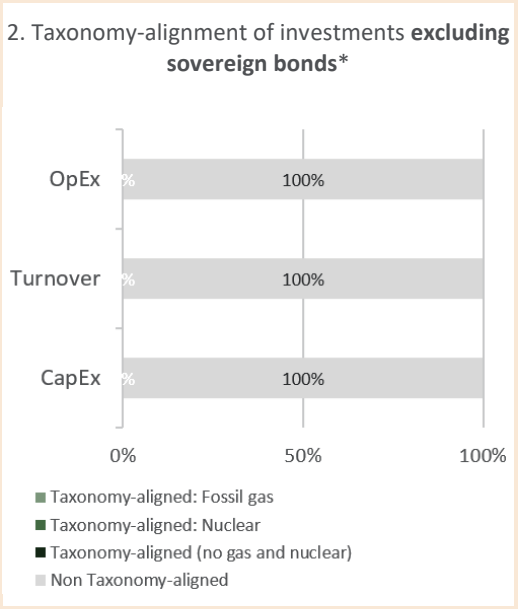
☒No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 30.78% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 35.88% of sustainable investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 4.93% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/orSocial criteria described in this appendix. Such assets may be equity instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - SUSTAINABLE EQUITY QI

Entity LEI: 21380043259EJJLUQF79

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.32% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- Carbon intensity
- Water Intensity

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

During the reference period, the Financial Product has applied a ESG Score Upgrade Approach approach on its investment universe, according to which the ESG scoring of the Financial Product has been higher than the scoring of the investment universe after removing at least the 20% worst ESG Scores, on a weighted average basis.

Sustainability KPI Name	Value	Benchmark	Coverage
Carbon intensity	128.15 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	225.84 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	99.89%
Water intensity	7835.77Thousands of cubic meters for corporates	12712.05Thousands of cubic meters for corporates	99.89%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

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The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the

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Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
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	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
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SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	

SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

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



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

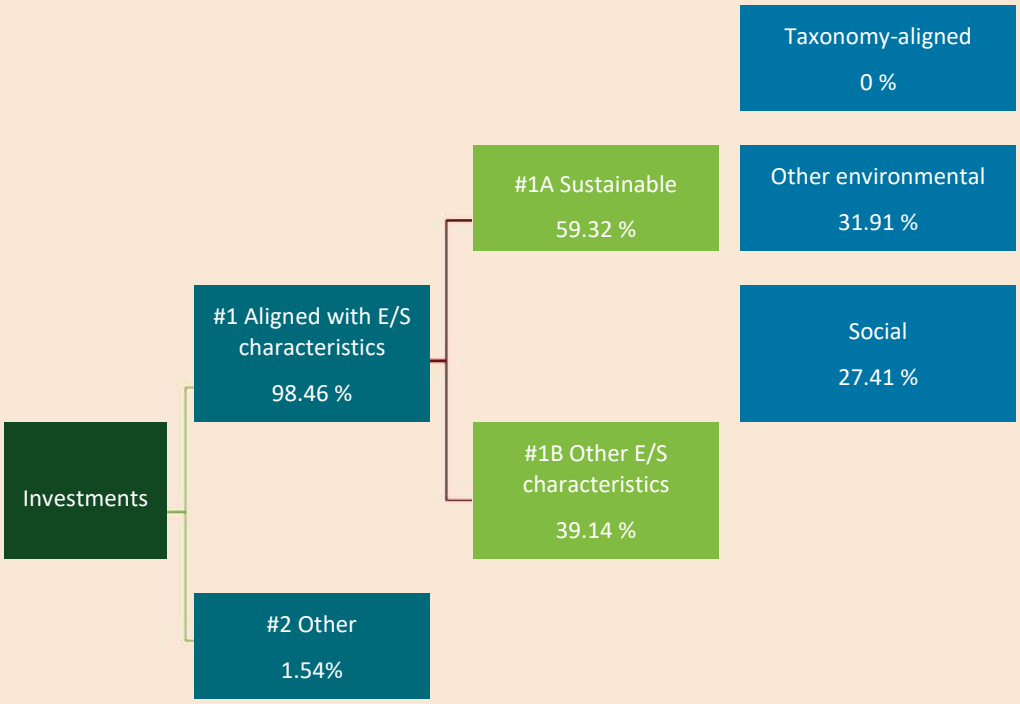
Top investments	Sector	Proportion	Country
APPLE INC XNGS USD	Manufacture of communication equipment	3.84%	US
MICROSOFT CORP XNGS USD	Other software publishing	2.9%	US
ALPHABET INC-CL A XNGS USD	Web portals	1.47%	US
PROCTER & GAMBLE CO/THE XNYS USD	Manufacture of household and sanitary goods and of toilet requisites	1.31%	US
BERKSHIRE HATHAWAY INC-CL B XNYS USD	Non-life insurance	1.29%	US
COCA-COLA CO/THE XNYS USD	Manufacture of soft drinks, production of mineral waters and other bottled waters	1.17%	US
PEPSICO INC XNGS USD	Manufacture of soft drinks, production of mineral waters and other bottled waters	1.12%	US
UNITEDHEALTH GROUP INC XNYS USD	Non-life insurance	0.98%	US
HOME DEPOT INC XNYS USD	Retail sale of hardware, paints and glass in specialised stores	0.95%	US
ROYAL BANK OF CANADA XTSE CAD	Other monetary intermediation	0.87%	CA
MERCK & CO. INC. XNYS USD	Manufacture of basic pharmaceutical products	0.87%	US
UNION PACIFIC CORP XNYS USD	Freight rail transport	0.84%	US
JPMORGAN CHASE & CO XNYS USD	Other monetary intermediation	0.82%	US
ABBOTT LABORATORIES XNYS USD	Manufacture of irradiation, electromedical and electrotherapeutic equipment	0.82%	US
NESTLE SA-REG XSWX CHF	Manufacture of food products	0.77%	CH

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Non-life insurance	6.96%
Other monetary intermediation	6.66%
Manufacture of communication equipment	4.95%
Other software publishing	4.41%
Manufacture of basic pharmaceutical products	4.28%
Manufacture of household and sanitary goods and of toilet requisites	3.47%
Freight rail transport	2.84%
Manufacture of soft drinks, production of mineral waters and other bottled waters	2.77%
Retail trade, except of motor vehicles and motorcycles	2.69%
Manufacture of instruments and appliances for measuring, testing and navigation	2.64%
Renting and operating of own or leased real estate	2.51%
Manufacture of electrical equipment	2.37%
Wireless telecommunications activities	2.27%
Other information service activities n.e.c.	2.06%
Other activities auxiliary to financial services, except insurance and pension funding	2.05%
Web portals	2.03%
Manufacture of food products	1.81%
Life insurance	1.69%
Retail sale of hardware, paints and glass in specialised stores	1.64%
Wholesale trade, except of motor vehicles and motorcycles	1.56%
Research and experimental development on biotechnology	1.51%
Manufacture of irradiation, electromedical and electrotherapeutic equipment	1.32%
Wholesale of pharmaceutical goods	1.31%
Manufacture of medical and dental instruments and supplies	1.22%
Administration of financial markets	1.18%
Activities of insurance agents and brokers	1.16%
Computer programming, consultancy and related activities	1.12%

Data processing, hosting and related activities	1.11%
Manufacture of electronic components	1.11%
Manufacture of motor vehicles	1.07%
Manufacture of other special-purpose machinery n.e.c.	1.01%
Satellite telecommunications activities	0.95%
Manufacture of rusks and biscuits, manufacture of preserved pastry goods and cakes	0.86%
Manufacture of other chemical products n.e.c.	0.76%
Manufacture of computers and peripheral equipment	0.74%
Retail trade of motor vehicle parts and accessories	0.72%
Water collection, treatment and supply	0.69%
Manufacture of electric motors, generators and transformers	0.61%
Retail sale via mail order houses or via Internet	0.6%
Manufacture of chemicals and chemical products	0.59%
Manufacture of ovens, furnaces and furnace burners	0.58%
Wired telecommunications activities	0.58%
Treatment and disposal of non-hazardous waste	0.55%
Other postal and courier activities	0.52%
Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.52%
Security systems service activities	0.51%
Manufacture of agricultural and forestry machinery	0.51%
Manufacture of pesticides and other agrochemical products	0.5%
Manufacture of fertilisers and nitrogen compounds	0.49%
Manufacture of fluid power equipment	0.48%
Manufacture of machinery for mining, quarrying and construction	0.47%
Production of electricity	0.47%
Distilling, rectifying and blending of spirits	0.47%
Other credit granting	0.46%
Other transportation support activities	0.45%
Manufacture of tools	0.44%
Manufacture of beer	0.43%

Reinsurance	0.39%
Other	0.37%
Manufacture of cocoa, chocolate and sugar confectionery	0.36%
Collection of non-hazardous waste	0.35%
Transport via pipeline	0.34%
Manufacture of fabricated metal products, except machinery and equipment	0.34%
Mining of other non-ferrous metal ores	0.33%
Other human health activities	0.32%
Freight transport by road	0.32%
Manufacture of ceramic sanitary fixtures	0.31%
Retail sale of medical and orthopaedic goods in specialised stores	0.3%
Distribution of electricity	0.3%
Manufacture of perfumes and toilet preparations	0.26%
Other personal service activities	0.26%
Manufacture of railway locomotives and rolling stock	0.25%
Manufacture of pharmaceutical preparations	0.25%
Manufacture of other pumps and compressors	0.25%
Manufacture of other articles of paper and paperboard	0.23%
Manufacture of lifting and handling equipment	0.21%
Manufacture of other parts and accessories for motor vehicles	0.21%
Transmission of electricity	0.2%
Retail sale of watches and jewellery in specialised stores	0.2%
Manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres	0.2%
Trusts, funds and similar financial entities	0.18%
Hospital activities	0.18%
Computer consultancy activities	0.18%
Construction of residential and non-residential buildings	0.18%
Other information technology and computer service activities	0.16%
Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	0.16%

Manufacture of macaroni, noodles, couscous and similar farinaceous products	0.14%
Private security activities	0.13%
Manufacture of concrete products for construction purposes	0.13%
Wholesale of chemical products	0.12%
Retail sale of clothing in specialised stores	0.11%
Manufacture of soap and detergents, cleaning and polishing preparations	0.11%
Security and commodity contracts brokerage	0.11%
Activities of employment placement agencies	0.11%
Mining of iron ores	0.11%
Manufacture of other organic basic chemicals	0.1%
Restaurants and mobile food service activities	0.1%
Computer programming activities	0.1%
Copper production	0.1%
Advertising agencies	0.1%
Operation of dairies and cheese making	0.1%
Management of real estate on a fee or contract basis	0.1%
Civil engineering	0.09%
Other cleaning activities	0.09%
Manufacture of consumer electronics	0.09%
Manufacture of computer, electronic and optical products	0.09%
Sale of cars and light motor vehicles	0.09%
Gambling and betting activities	0.09%
Manufacture of magnetic and optical media	0.09%
Sea and coastal freight water transport	0.08%
Manufacture of refined petroleum products	0.08%
Manufacture of other non-metallic mineral products	0.07%
Manufacture of industrial gases	0.06%



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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐Yes

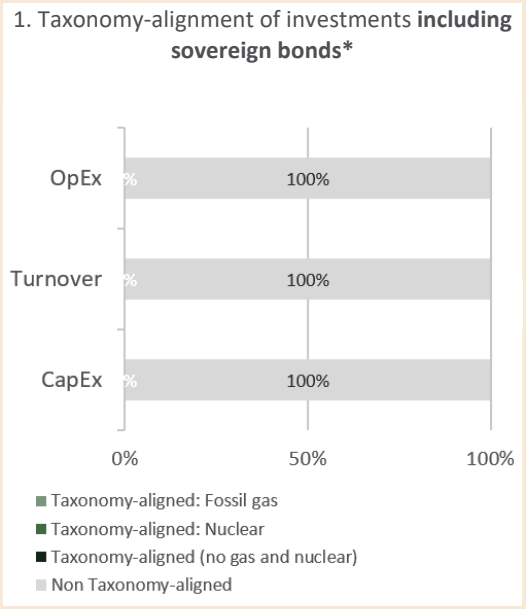
☐ In fossil gas ☐ In nuclear energy

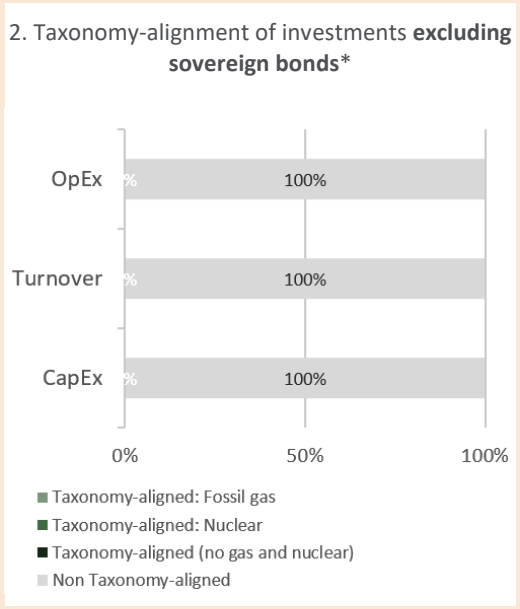
☒No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 31.91% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 27.41% of sustainable investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 1.54% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/orSocial criteria described in this appendix. Such assets may be equity instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - GLOBAL INFLATION SHORT DURATION BONDS

Entity LEI: 2138002AGTWONS399W19

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	5.88 Score over max 10	5.88 Score over max 10	100%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

The Financial product did not make any sustainable investments during the reference period.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Financial product did not make any sustainable investments during the reference period.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial product did not make any sustainable investments during the reference period.

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

The Financial product did not make any sustainable investments during the reference period.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
TII 0.625% - 15/01/2026 CPI	General public administration activities	8.24%	US
TII 0.125% - 15/04/2026 CPI	General public administration activities	5.35%	US
TII 0.125% - 15/04/2027 CPI	General public administration activities	5.15%	US
TII 0.375% - 15/07/2025 CPI	General public administration activities	4.39%	US

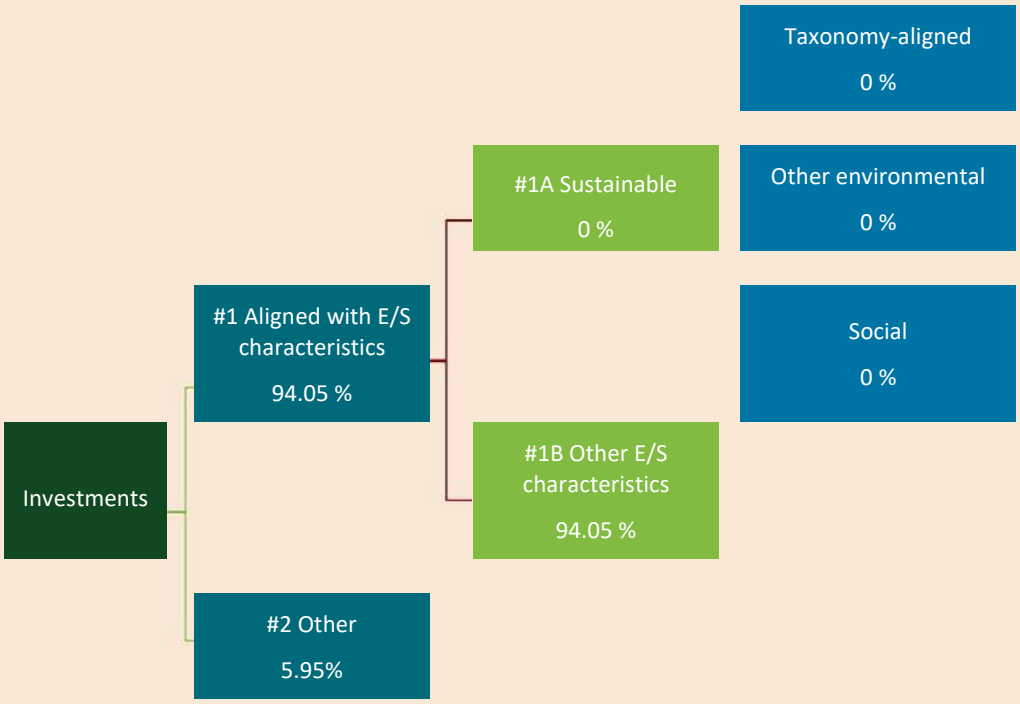
TII 0.125% - 15/10/2024 CPI	General public administration activities	4.39%	US
TII 0.375% - 15/01/2027 CPI	General public administration activities	4.35%	US
TII 0.125% - 15/04/2025 CPI	General public administration activities	4.18%	US
TII 0.25% - 15/01/2025 CPI	General public administration activities	4.14%	US
TII 0.125% - 15/07/2024 CPI	General public administration activities	4.1%	US
TII 0.125% - 15/10/2026 CPI	General public administration activities	3.73%	US
TII 1.625% - 15/10/2027 CPI	General public administration activities	3.53%	US
TII 0.625% - 15/01/2024 CPI	General public administration activities	3.31%	US
UKTI 0.125% - 22/03/2024 CPI	General public administration activities	3.25%	GB
TII 0.5% - 15/04/2024 CPI	General public administration activities	3.11%	US
UKTI 1.25% - 22/11/2027 CPI	General public administration activities	3.05%	GB

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
General public administration activities	100%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

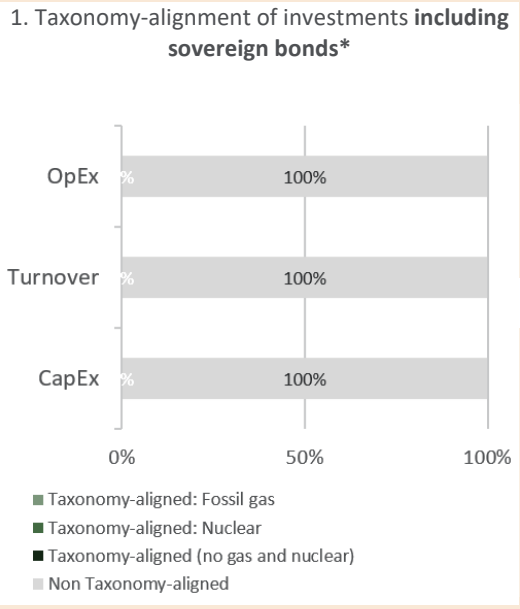
☐ In fossil gas ☐ In nuclear energy

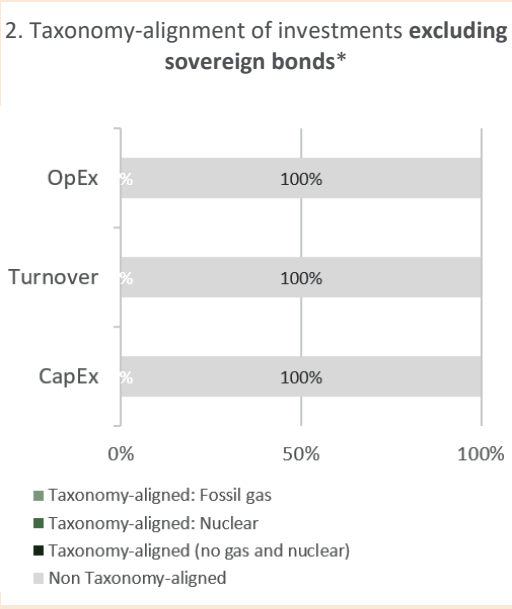
☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 5.95% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic

Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - GLOBAL OPTIMAL INCOME **Entity LEI:** 213800VRWFHRN3LIZV13

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 48.09% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	6.99 Score over max 10	6.22 Score over max 10	99.65%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.

- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	

SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

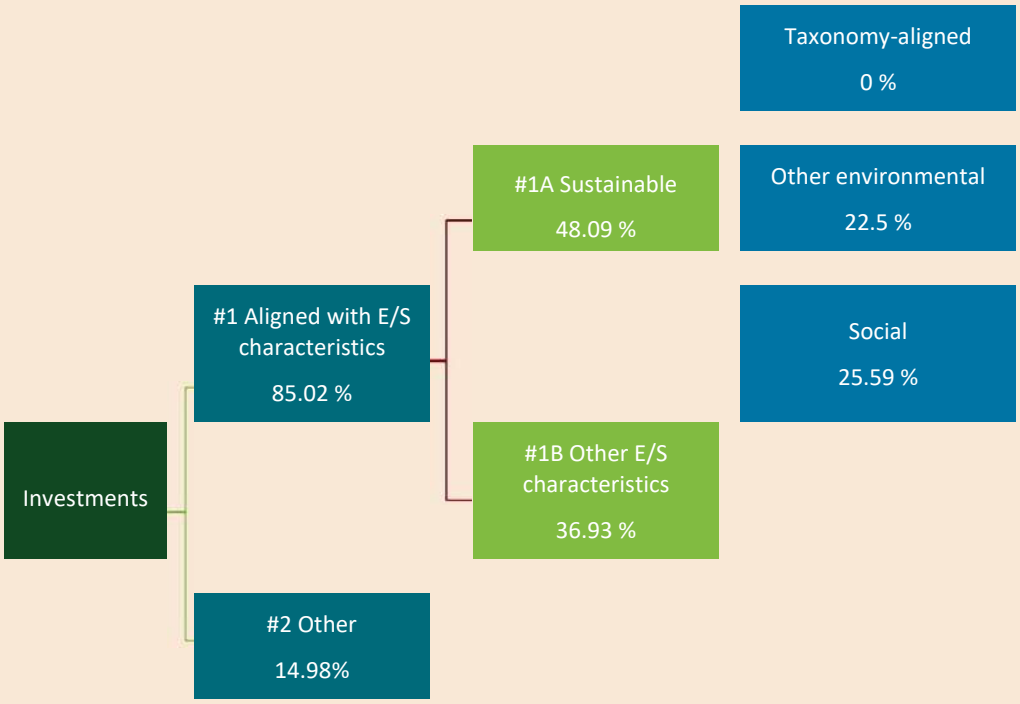
Top investments	Sector	Proportion	Country
ISHARES PHYSICAL GOLD ETC	Trusts, funds and similar financial entities	4.99%	IE
AXA WF Global Emerging Markets Bonds M (H) Capital	Trusts, funds and similar financial entities	2.64%	LU
BTF 0 - 08/03/2023	General public administration activities	2.56%	FR
PRYSMIAN SPA MTAA EUR	Manufacture of electrical equipment	2.48%	IT
AWF Eur Inf P MC	Trusts, funds and similar financial entities	2.2%	LU
AXA IM FIIS US Short Duration High Yield A (H) Dis	Trusts, funds and similar financial entities	2.09%	LU
DIAGEO PLC XLON GBP	Distilling, rectifying and blending of spirits	1.82%	GB
KEYENCE CORP XTKS JPY	Manufacture of other special-purpose machinery n.e.c.	1.8%	JP
ROCHE HOLDING AG-GENUSSCHEIN XSWX CHF	Manufacture of basic pharmaceutical products	1.72%	CH
NESTLE SA-REG XSWX CHF	Manufacture of food products	1.66%	CH
ASTRAZENECA PLC XLON GBP	Manufacture of basic pharmaceutical products	1.47%	GB
CIE FINANCIERE RICHEMO-A REG XSWX CHF	Manufacture of jewellery and related articles	1.46%	CH
MASTERCARD INC - A XNYS USD	Other activities auxiliary to financial services, except insurance and pension funding	1.42%	US
CHECK POINT SOFTWARE TECH XNGS USD	Other software publishing	1.39%	IL
MSCI INC XNYS USD	Other information service activities n.e.c.	1.37%	US

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Trusts, funds and similar financial entities	14.85%
Other monetary intermediation	6.8%
Manufacture of basic pharmaceutical products	5.61%
General public administration activities	5.44%
Other software publishing	5.35%
Manufacture of other special-purpose machinery n.e.c.	4.97%
Manufacture of refined petroleum products	3.23%
Manufacture of motor vehicles	3.18%
Other activities auxiliary to financial services, except insurance and pension funding	2.92%
Other	2.89%
Other information service activities n.e.c.	2.7%
Manufacture of electrical equipment	2.48%
Distilling, rectifying and blending of spirits	2.33%
Mining of other non-ferrous metal ores	2.26%
Manufacture of medical and dental instruments and supplies	1.94%
Manufacture of food products	1.66%
Manufacture of instruments and appliances for measuring, testing and navigation	1.54%
Manufacture of jewellery and related articles	1.46%
Manufacture of household and sanitary goods and of toilet requisites	1.29%
Web portals	1.29%
Computer programming activities	1.13%
Manufacture of beer	1.08%
Manufacture of electric motors, generators and transformers	1.07%
Mining of iron ores	1.06%
Retail sale of clothing in specialised stores	0.97%
Manufacture of industrial gases	0.96%
Manufacture of electronic components	0.92%
Manufacture of luggage, handbags and the like, saddlery and harness	0.79%
Administration of financial markets	0.78%

Non-life insurance	0.77%
Manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres	0.73%
Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.73%
Transmission of electricity	0.7%
Manufacture of other non-metallic mineral products	0.69%
Manufacture of musical instruments	0.67%
Civil engineering	0.66%
Computer programming, consultancy and related activities	0.57%
Manufacture of ovens, furnaces and furnace burners	0.57%
Manufacture of machinery for mining, quarrying and construction	0.53%
Manufacture of lifting and handling equipment	0.51%
Hotels and similar accommodation	0.5%
Wireless telecommunications activities	0.5%
Life insurance	0.5%
Engineering activities and related technical consultancy	0.42%
Fitness facilities	0.41%
Manufacture of communication equipment	0.4%
Manufacture of ceramic sanitary fixtures	0.38%
Sound recording and music publishing activities	0.37%
Retail sale of audio and video equipment in specialised stores	0.37%
Retail sale via mail order houses or via Internet	0.37%
Renting and operating of own or leased real estate	0.31%
Manufacture of air and spacecraft and related machinery	0.31%
Electricity, gas, steam and air conditioning supply	0.3%
Other postal and courier activities	0.29%
Other business support service activities n.e.c.	0.28%
Production of electricity	0.25%
Fishing and aquaculture	0.24%
Data processing, hosting and related activities	0.24%
Retail trade, except of motor vehicles and motorcycles	0.23%

Gambling and betting activities	0.21%
Motion picture, video and television programme production activities	0.21%
Manufacture of footwear	0.21%
Manufacture of other organic basic chemicals	0.2%
Support activities for petroleum and natural gas extraction	0.19%
Manufacture of ceramic tiles and flags	0.19%
Manufacture of perfumes and toilet preparations	0.19%
Construction of residential and non-residential buildings	0.19%
Publishing of computer games	0.17%
Service activities incidental to land transportation	0.16%
Manufacture of computers and peripheral equipment	0.15%
Growing of citrus fruits	0.14%
Manufacture of agricultural and forestry machinery	0.14%
Manufacture of other food products n.e.c.	0.14%
Wholesale of chemical products	0.14%
Manufacture of soft drinks, production of mineral waters and other bottled waters	0.11%
Manufacture of other parts and accessories for motor vehicles	0.08%
Manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers	0.07%
Water collection, treatment and supply	0.07%
Manufacture of other chemical products n.e.c.	0.07%
Collection of non-hazardous waste	0.07%
Other food service activities	0.07%
Passenger air transport	0.05%
Printing and reproduction of recorded media	0.03%
Manufacture of irradiation, electromedical and electrotherapeutic equipment	0.03%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐Yes

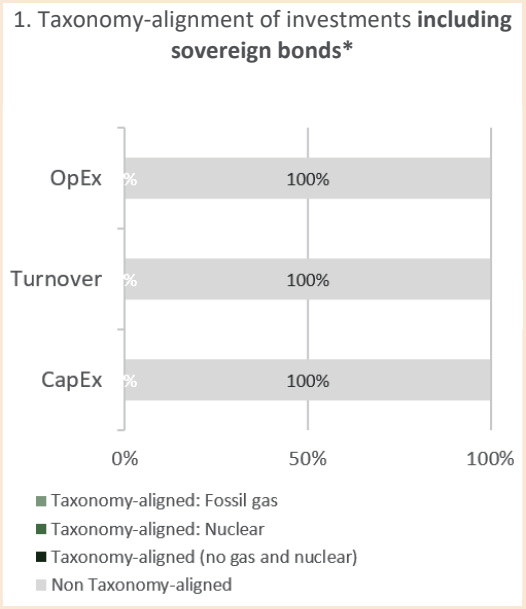
☐ In fossil gas ☐ In nuclear energy

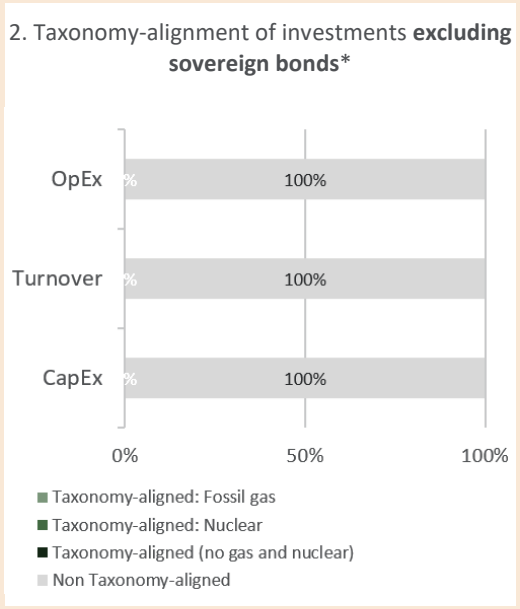
☒No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 22.5% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 25.59% of sustainable investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 14.98% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be equity or debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - GLOBAL STRATEGIC BONDS **Entity LEI:** 213800DR687J9C7WK742

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 24.51% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- ESG Score

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has outperformed its ESG Score compared to during the reference period.

Sustainability KPI Name	Value	Benchmark	Coverage
ESG Score	6.09 Score over max 10	5.86 Score over max 10	98.93%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.

- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	

SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

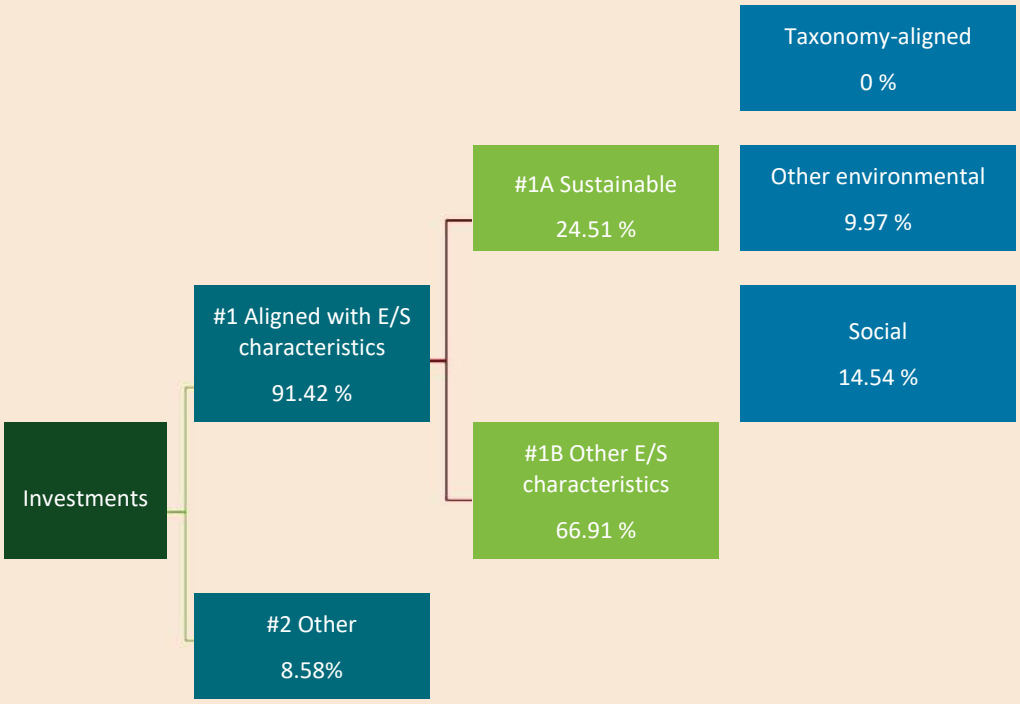
Top investments	Sector	Proportion	Country
T 1.125% - 15/02/2031	General public administration activities	4.29%	US
UKT 1% - 22/04/2024	General public administration activities	2.31%	GB
UKT 4.25% - 07/06/2032	General public administration activities	2.14%	GB
T 4.5% - 15/02/2036	General public administration activities	2.13%	US
FRTR 0.1% - 01/03/2025 CPI	General public administration activities	1.9%	FR
T 3% - 30/06/2024	General public administration activities	1.87%	US
TII 0.125% - 15/04/2025 CPI	General public administration activities	1.76%	US
T 3% - 15/05/2047	General public administration activities	1.62%	US
T 2% - 15/02/2050	General public administration activities	1.41%	US
UKTI 0.125% - 22/03/2026 CPI	General public administration activities	1.39%	GB
FRTR 0.25% - 25/11/2026	General public administration activities	1.29%	FR
CBGLN 2% Var - 11/09/2031 Call	Other monetary intermediation	1.07%	GB
T 1.25% - 15/05/2050	General public administration activities	1.07%	US
T 2.5% - 15/02/2046	General public administration activities	1%	US
ROTHLF 5% Var - 13/10/2031 Perp	Life insurance	0.95%	GB

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
General public administration activities	31.88%
Other monetary intermediation	11.73%
Renting and operating of own or leased real estate	5.54%
Life insurance	4.82%
Manufacture of refined petroleum products	4.04%
Other software publishing	2%
Manufacture of other articles of paper and paperboard	1.82%
Transport via pipeline	1.66%
Non-life insurance	1.49%
Other information service activities n.e.c.	1.39%
Manufacture of other chemical products n.e.c.	1.38%
Restaurants and mobile food service activities	1.22%
Distribution of electricity	1.01%
Wireless telecommunications activities	0.93%
Service activities incidental to air transportation	0.9%
Other human health activities	0.84%
Mining of other non-ferrous metal ores	0.84%
Security and commodity contracts brokerage	0.83%
Web portals	0.82%
Trusts, funds and similar financial entities	0.81%
Private security activities	0.81%
Manufacture of other organic basic chemicals	0.8%
Other activities auxiliary to financial services, except insurance and pension funding	0.78%
Extraction of crude petroleum and natural gas	0.78%
Electricity, gas, steam and air conditioning supply	0.77%
Reinsurance	0.72%
Passenger rail transport, interurban	0.68%
Retail sale of hardware, paints and glass in specialised stores	0.67%
Activities of insurance agents and brokers	0.67%
Construction of residential and non-residential buildings	0.65%

Manufacture of basic pharmaceutical products	0.61%
Manufacture of medical and dental instruments and supplies	0.57%
Manufacture of beer	0.56%
Manufacture of other special-purpose machinery n.e.c.	0.56%
Manufacture of chemicals and chemical products	0.55%
Production of electricity	0.55%
Advertising agencies	0.54%
Satellite telecommunications activities	0.53%
Accounting, bookkeeping and auditing activities, tax consultancy	0.49%
Hotels and similar accommodation	0.48%
Packaging activities	0.48%
Other passenger land transport n.e.c.	0.48%
Freight rail transport	0.46%
Financial leasing	0.42%
Manufacture of light metal packaging	0.41%
Manufacture of motor vehicles	0.39%
Construction of utility projects for electricity and telecommunications	0.37%
Manufacture of food products	0.36%
Wired telecommunications activities	0.36%
Other retail sale in non-specialised stores	0.34%
Rental and leasing activities	0.34%
Manufacture of grain mill products	0.32%
Manufacture of soft drinks, production of mineral waters and other bottled waters	0.31%
Retail trade, except of motor vehicles and motorcycles	0.3%
Support activities for petroleum and natural gas extraction	0.29%
Other business support service activities n.e.c.	0.29%
Sea and coastal passenger water transport	0.29%
Extraction of crude petroleum	0.28%
Motion picture, video and television programme production activities	0.26%
Gambling and betting activities	0.25%

Production of meat and poultry meat products	0.22%
Manufacture of pulp	0.22%
Retail sale via mail order houses or via Internet	0.21%
Accommodation	0.2%
Manufacture of wood and of products of wood and cork, except furniture, manufacture of articles of s	0.18%
Administration of financial markets	0.18%
Other manufacturing n.e.c.	0.18%
Manufacture of electrical equipment	0.18%
Activities of amusement parks and theme parks	0.18%
Manufacture of machinery and equipment n.e.c.	0.18%
Manufacture of other tanks, reservoirs and containers of metal	0.17%
Manufacture of plastic packing goods	0.17%
Service activities incidental to water transportation	0.17%
Combined facilities support activities	0.17%
Computer programming, consultancy and related activities	0.15%
Retail sale of medical and orthopaedic goods in specialised stores	0.13%
Book publishing	0.12%
Manufacture of other food products n.e.c.	0.12%
Manufacture of flat glass	0.12%
Renting and leasing of trucks	0.11%
Manufacture of perfumes and toilet preparations	0.09%
Collection of non-hazardous waste	0.09%
Processing and preserving of meat	0.09%
Raising of poultry	0.09%
Manufacture of communication equipment	0.08%
Manufacture of footwear	0.08%
Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.07%
Television programming and broadcasting activities	0.06%
Freight transport by road	0.06%
Hospital activities	0.05%

Manufacture of soap and detergents, cleaning and polishing preparations	0.04%
Manufacture of pesticides and other agrochemical products	0.04%
Distribution of gaseous fuels through mains	0.04%
Other	0.02%

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

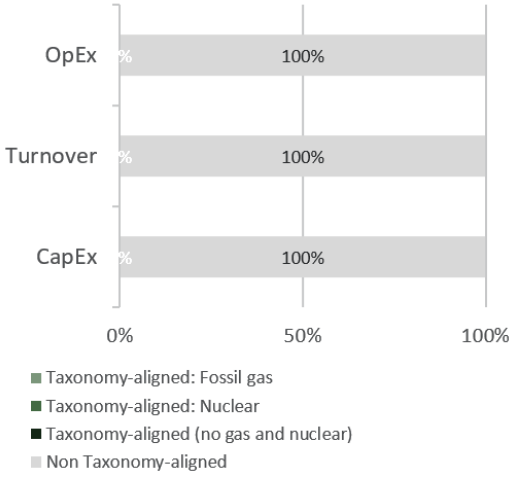
☒ No

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

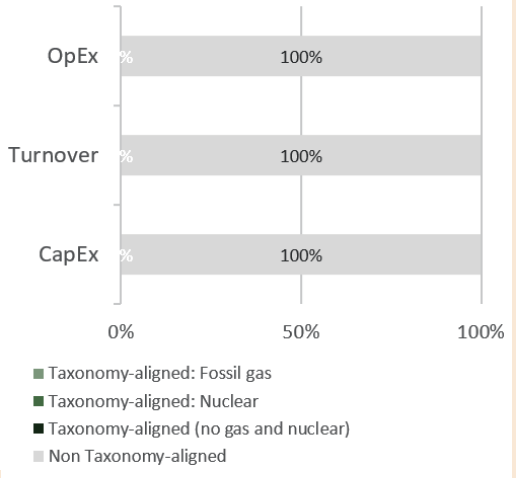
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 9.97% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 14.54% of sustainable investments with a social objective.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The remaining “Other” investments represented 8.58% of the Financial Product’s Net Asset Value.

The “other” assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all “other” assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: AXA WORLD FUNDS - OPTIMAL INCOME **Entity LEI:** 2138003LHHRO8T77DX76

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ YES	☒ NO
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.81% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Financial Product has met the environmental and social characteristics promoted for the reference period by investing in companies considering their:

- Carbon intensity
- Women on Board

The Financial Product has also promoted other specific environmental and social characteristics, mainly:

- Preservation of climate with exclusion policies on coal and oil sand activities
- Protection of ecosystem and prevention of deforestation
- Better health with exclusion on tobacco
- Labor rights, society and human rights, business ethics, anti-corruption with exclusion on companies in violation of international norms and standards such as the United Nations Global Compact Principles, International Labor Organization's (ILO) Conventions or the OECD guidelines for Multinational Enterprises AXA IM sectorial exclusions and ESG standards have been applied bindingly at all times during the reference period.

The Financial Product has not designated an ESG Benchmark to promote environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted

by the financial product are attained.

How did the sustainability indicators perform?

During the reference the period, the attainment of the environmental and social characteristics promoted by the Financial Product has been measured with the sustainability indicators mentioned above:

The Financial Product has applied a socially responsible investment selectivity approach Best-in-class on the investment universe during the reference period. The selectivity approach has reduced the investment universe at least by 20% based on a combination of AXA IM's Sectorial Exclusion and ESG Standards policies and their ESG Score to the exception of cash held on an ancillary basis and Solidarity Assets.

In addition, the investment strategy has outperformed its benchmark or investment universe on at least two ESG Key Performance Indicator that are Carbon intensity and Women on Boardduring the reference period.

During the reference period, the following minimum coverage rates have been applied with the Financial Product portfolio (expressed as a percentage of at least % of the net assets, excluding bonds and other debt securities issued by public issuers, cash held on an ancillary basis and Solidarity Assets): i) 90% for the ESG analysis, ii) 90% for the Carbon intensity indicator and iii) 70% for the Women on Boardindicator.

Sustainability KPI Name	Value	Benchmark	Coverage
Carbon intensity	186.5 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	265.32 CO2 tons per millions $ revenue for corporate and in CO2 Kg per PPP $ of GDP for sovereign	95.82%
Women on Board	40.34% of women on board	34.65% of women on board	95.44%

… And compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objective?

During the reference period, the Financial Product has partially invested in instruments qualifying as sustainable investments with various social and environmental objectives (without any limitation) by assessing the positive contribution of investee companies through at least one of the following dimensions:

1.**UN Sustainable Development Goals alignment (SDG)**of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

a) the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or

b) using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2.**Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3.**Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

a) GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.

b) With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous

practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

During the reference period, the Do No Significant Harm Principle for the sustainable investments the Financial Product made had been achieved by not investing in company meeting any of the criteria below:

- The issuer caused significant harm along any of the SDGs when one of its SDG scores is below –5 based on a quantitative database from an external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significantly obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer falled within in AXA IM's sectorial and ESG standards ban lists, which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer had a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology (as defined in SFDR precontractual annex).

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.
Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.
Where relevant, Stewardship policies have been an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product has used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors as described below.
Voting at general meetings has also been an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts as described below.
AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.
Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	

Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards) [2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board gender diversity	Expressed as a percentage of all board members.	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.

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

During the reference period, the Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM excluded any companies that have been assessed as "non compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

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 Union 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 investment must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Financial Product took into consideration the following Principal Adverse Impact indicators applying the following exclusion policies and stewardship policies :

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	

Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022-12-30

Top investments	Sector	Proportion	Country
ASML HOLDING NV XAMS EUR	Manufacture of other special-purpose machinery n.e.c.	4.27%	NL
AIR LIQUIDE PRIME FIDELITÃ© XPAR EUR	Manufacture of industrial gases	3.69%	FR
FINECOBANK SPA MTAA EUR	Other monetary intermediation	3.04%	IT
REMY COINTREAU XPAR EUR	Distilling, rectifying and blending of spirits	2.94%	FR
AWF Eur Inf P MC	Trusts, funds and similar financial entities	2.18%	LU
AXA IM FIIS Europe Short Duration High Yield A Cap	Trusts, funds and similar financial entities	2.18%	LU
AXA WF Next Generation M Capitalisation USD	Trusts, funds and similar financial entities	1.94%	LU

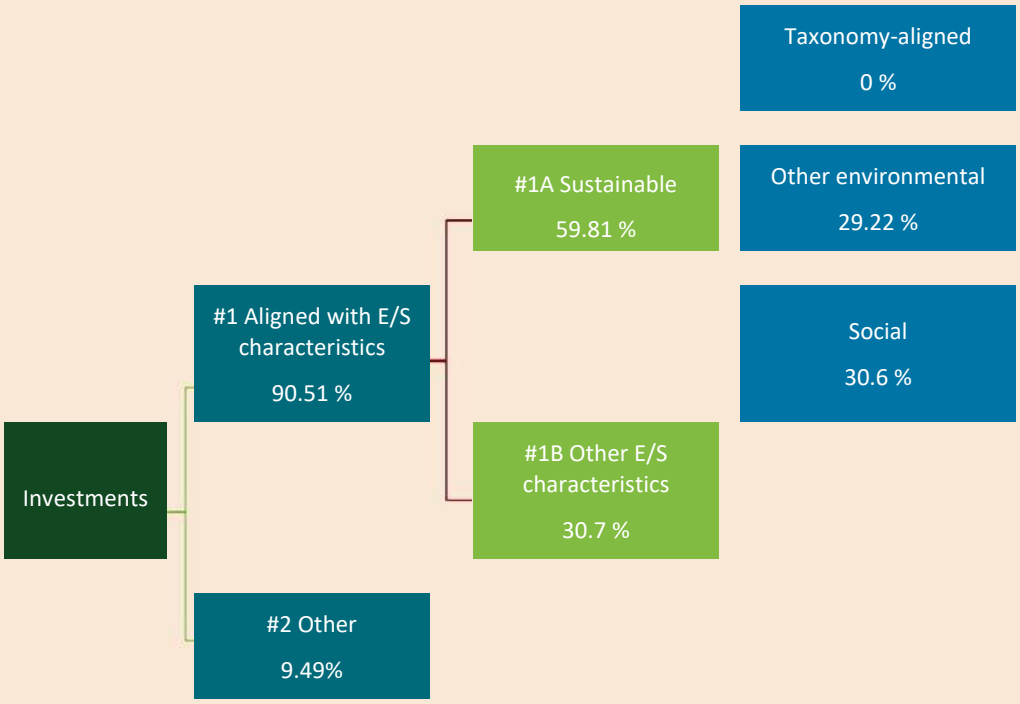
ROCHE HOLDING AG-GENUSSCHEIN XSWX CHF	Manufacture of basic pharmaceutical products	1.86%	CH
KABEL DEUTSCHLAND HOLDING AG XHAM EUR	Satellite telecommunications activities	1.86%	DE
BANCO BILBAO VIZCAYA ARGENTA XMAD EUR	Other monetary intermediation	1.73%	ES
AXA WF Dynamic Optimal Income M Capitalisation USD		1.7%	LU
EDENRED XPAR EUR	Other business support service activities n.e.c.	1.65%	FR
ASTRAZENECA PLC XLON GBP	Manufacture of basic pharmaceutical products	1.5%	GB
VOLVO AB-B SHS XSTO SEK	Manufacture of motor vehicles	1.43%	SE
AIR LIQUIDE SA-PF-2024 EUR	Manufacture of industrial gases	1.41%	FR

The portfolio proportions of investments hereabove presented were measured on 30/12/2022 and may not be representative of the reference period.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 actual asset allocation has been reported based on the assets weighted average at the end of the reference period. Depending on the potential usage of derivatives within this product's investment strategy, the expected exposure detailed below could be subject to variability as the portfolio's NAV may be impacted by the Mark to Market of derivatives. For more details on the potential usage of derivatives by this product, please refer to its precontractual documents and its investment strategy described within.

In which economic sectors were the investments made?

Financial product’s investments were made in the economic sectors detailed below:

Top sector	Proportion
Other monetary intermediation	16.24%
Trusts, funds and similar financial entities	9.55%
Manufacture of basic pharmaceutical products	5.48%
Manufacture of other special-purpose machinery n.e.c.	5.48%
Manufacture of industrial gases	5.23%
Manufacture of motor vehicles	4.29%
Distilling, rectifying and blending of spirits	4.15%
Other	3.91%
Manufacture of refined petroleum products	3.2%
Renting and operating of own or leased real estate	2.86%
General public administration activities	2.81%
Other business support service activities n.e.c.	2.13%
Satellite telecommunications activities	1.97%
Other software publishing	1.97%
Manufacture of rubber tyres and tubes, retreading and rebuilding of rubber tyres	1.35%
Manufacture of food products	1.31%
Manufacture of electrical equipment	1.27%
Wireless telecommunications activities	1.23%
Manufacture of agricultural and forestry machinery	1.22%
Manufacture of electric motors, generators and transformers	1.17%
Manufacture of ceramic sanitary fixtures	1.12%
Manufacture of air and spacecraft and related machinery	1.05%
Computer programming activities	1.02%
Manufacture of luggage, handbags and the like, saddlery and harness	0.97%
Life insurance	0.95%
Production of electricity	0.95%
Mining of other non-ferrous metal ores	0.92%
Data processing, hosting and related activities	0.87%
Manufacture of jewellery and related articles	0.85%
Other postal and courier activities	0.84%

Civil engineering	0.82%
Electricity, gas, steam and air conditioning supply	0.78%
Non-life insurance	0.77%
Transmission of electricity	0.67%
Manufacture of beer	0.58%
Retail trade, except of motor vehicles and motorcycles	0.53%
Manufacture of musical instruments	0.47%
Manufacture of machinery for mining, quarrying and construction	0.44%
Other information service activities n.e.c.	0.42%
Sound recording and music publishing activities	0.41%
Support activities for petroleum and natural gas extraction	0.38%
Distribution of gaseous fuels through mains	0.34%
Manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers	0.33%
Manufacture of electrical and electronic equipment for motor vehicles	0.32%
Motion picture, video and television programme production activities	0.31%
Administration of financial markets	0.29%
Service activities incidental to land transportation	0.29%
Manufacture of medical and dental instruments and supplies	0.29%
Advertising agencies	0.28%
Security and commodity contracts brokerage	0.28%
Passenger air transport	0.28%
Retail sale of clothing in specialised stores	0.27%
Wired telecommunications activities	0.25%
Manufacture of instruments and appliances for measuring, testing and navigation	0.25%
Service activities incidental to air transportation	0.23%
Water collection, treatment and supply	0.23%
Construction of residential and non-residential buildings	0.21%
Manufacture of other organic basic chemicals	0.21%
Other activities auxiliary to financial services, except insurance and pension funding	0.2%

Collection of non-hazardous waste	0.19%
Manufacture of ovens, furnaces and furnace burners	0.19%
Manufacture of other parts and accessories for motor vehicles	0.16%
Manufacture of other inorganic basic chemicals	0.16%
Other credit granting	0.16%
Manufacture of other chemical products n.e.c.	0.14%
Land transport and transport via pipelines	0.14%
Other food service activities	0.14%
Wholesale of chemical products	0.14%
Manufacture of communication equipment	0.12%
Mining of uranium and thorium ores	0.12%
Specialist medical practice activities	0.12%
Distribution of electricity	0.1%
Web portals	0.1%
Activities of holding companies	0.1%
Research and experimental development on biotechnology	0.1%
Manufacture of concrete products for construction purposes	0.1%
Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0.06%
Management of real estate on a fee or contract basis	0.06%
Manufacture of electronic components	0.05%
Hotels and similar accommodation	0.05%



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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐Yes

☐ In fossil gas ☐ In nuclear energy

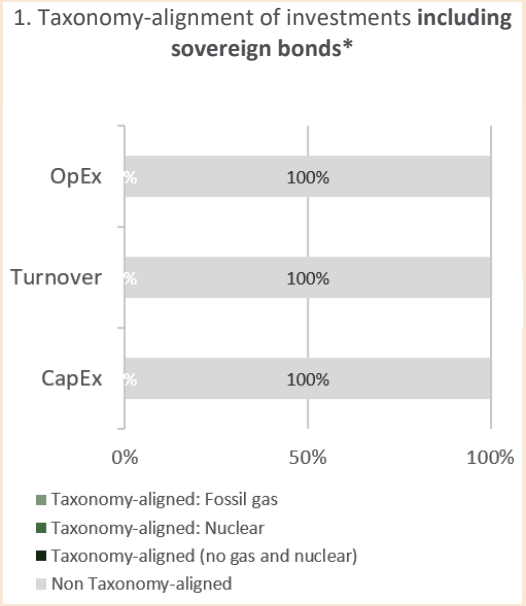
☒No

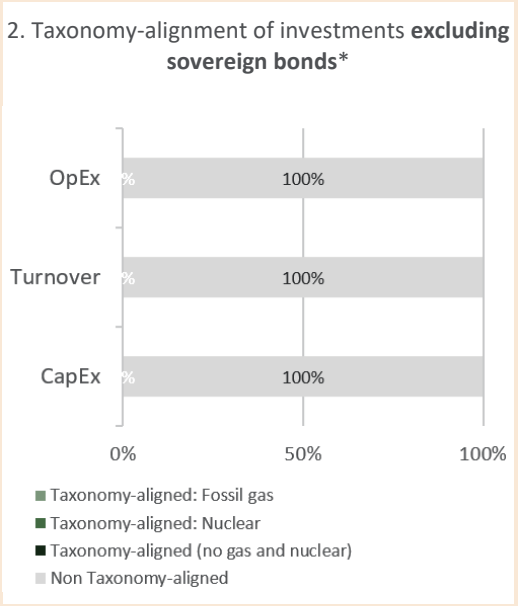
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product did not consider the 'do not significant harm criteria' of the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The financial Product did not consider the "do not significantly harm" criteria of the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 29.22% for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.



What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 30.6% of sustainable investments with a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining "Other" investments represented 9.49% of the Financial Product's Net Asset Value.

The "other" assets may have consisted in, as defined in the precontractual annex:

- cash and cash equivalent investments being bank deposit, eligible money market instruments and money market funds used for managing the liquidity of the Financial Product, and ;
- other instruments eligible to the Financial Product and that do not meet the Environmental and/or Social criteria described in this appendix. Such assets may be equity or debt instruments, derivatives investments and investment collective schemes that do not promote environmental or social characteristics and that are used to attain the financial objective of the Financial Product and / or for diversification and / or hedging purposes.

Environmental or social safeguards were applied and assessed on all "other" assets except on (i) non single name derivatives, (ii) on UCITS and/or UCIsmanaged by other management company and (iii) on cash and cash equivalent investments described above.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: BANTLEON OPPORTUNITIES L

Legal entity identifier (LEI-Code): 529900Q0M6ST2S9UZD14

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments.
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments.**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the sub-fund include the following:

1. Use of value-based or norm-based criteria:
   a. Companies participating in the UN Global Compact are favoured.
   b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.

2. Use of screening criteria:
   a. Companies:

Bei den **wichtigsten nachteiligen Auswirkungen** handelt es sich um die bedeutendsten nachteiligen Auswirkungen von Investitionsentscheidungen auf Nachhaltigkeitsfaktoren in den Bereichen Umwelt, Soziales und Beschäftigung, Achtung der Menschenrechte und Bekämpfung von Korruption und Bestechung.

   i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
   ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
   iii. Manufacturers/distributors of biological and chemical weapons
   iv. Manufacturers/distributors of depleted uranium weapons
   v. More than 10% of revenue from manufacturing and/or distributing defence goods
   vi. More than 5% of revenue from manufacturing and/or distributing tobacco products
   vii. More than 30% of revenue from extracting and/or distributing coal
   viii. Severe violations of the UN Global Compact (with no positive outlook)
b. Government issuers:
   i. Severe violations of democratic and human rights (»Not Free« status according to the Freedom House Index or comparable internal/external ESG ratings).

3. Use of a minimum allocation to securities with a specific ESG rating
   i. At least 65% of the securities held by the sub-fund must be from issuers with an average ESG profile (equals a MSCI ESG rating »BB«, »BBB« or »A«) or above-average ESG profile (equals a MSCI ESG rating »AA« or »AAA«).

The above mentioned environmental and/or social characteristics promoted by the sub-fund were fully met during the reporting period. The sub-fund has not used any derivatives to enhance the promoted environmental and/or social characteristics.

- ***How did the sustainability indicators perform?***

  The following indicators were used to measure the extent to which individual environmental or social characteristics are achieved:

Environmental/social characteristic	**Indicator**
Favours companies participating in the UN Global Compact	Data field: *Global Compact Signatory* Data source: MSCI ESG Research
Favours companies from countries that promote the OECD Guidelines for Multinational Enterprises	The country in which the company has its registered office has signed up to the OECD Guidelines for Multinational Enterprises. Data sources: information in the public domain and information from MSCI ESG Research
Excludes manufacturers/distributors of: ▪ Anti-personnel mines ▪ Cluster munitions ▪ Biological and chemical weapons ▪ Depleted uranium weapons	Revenue generated from or in connection with controversial weapons Data field: *Controversial Weapons – Any Tie* Data source: MSCI ESG Research

Excludes companies in certain fields: ▪ More than 10% of revenue from manufacturing and/or distributing defence goods ▪ More than 5% of revenue from manufacturing and/or distributing tobacco products ▪ More than 30% of revenue from extracting and/or distributing coal	Revenue in each field is measured as a percentage of the company's total revenue. Data fields: ▪ *Weapons – Max. Percentage of Revenue* ▪ *Tobacco Producer – Max. Percentage of Revenue* ▪ *Generation Thermal Coal – Max. Percentage of Revenue* Data source: MSCI ESG Research
Excludes companies that have committed severe violations of the UN Global Compact (with no positive outlook)	Analysis of controversies involving the company in relation to the UN Global Compact Data field: *Global Compact Compliance* Data source: MSCI ESG Research
For government issuers: severe violations of democratic and human rights	»Not Free« status according to the Freedom House Index or comparable ESG ratings Data sources: MSCI ESG Research, comparable ESG research providers, in-house research
At least 65% of the securities held by the sub-fund must be from issuers with an average or above-average ESG profile.	Minimum rating of BB from MSCI ESG Research Data field: *ESG Rating* Data source: MSCI ESG Research

The selection criteria, restrictions and minimum requirements on which the defined sustainability indicators are based were continuously monitored during the reporting period and were complied with.

- ***…and compared to previous periods?***

  N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

  N/A



How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund considered the principal adverse impacts on sustainability factors. The table below sets out which sustainability factors were considered and which measures/exclusions were foreseen to prevent or reduce the adverse impacts of investment decisions on these factors

Sustainability factors	Consideration	Reasoning
Indicators for investments in companies		
1. Greenhouse gas (GHG) emissions 2. Carbon footprint 3. Intensity of the company's GHG emissions	Screening criteria: No. 2a vii) and viii) No. 3 i)	The screening criteria rule out companies that: • generate more than 30% of their revenue from coal-fired power generation • are involved in severe controversies relating to the principles of the UN Global Compact (including Principles 7-9, which concern the environment) • have high ESG risks (this applies to at least 65% of the sub-fund's assets) It can therefore be assumed that the portfolio's direct and indirect emissions are lower.
4. Investment in companies with fossil fuel operations	Screening criteria: No. 2a vii) No. 3 i)	The screening criteria rule out companies that: • generate more than 30% of their revenue from coal-fired power generation • have high ESG risks (this applies to at least 65% of the sub-fund's assets) This partially avoids exposure to these types of company.
5. Proportion of energy consumption and generation from non-renewable sources	Screening criterion: No. 2a vii)	This is taken into consideration because it can be assumed that reducing investments in non-renewable energy (in this case coal) will redirect capital flows towards renewable forms of energy, thus increasing their share of energy consumption and generation.
6. Intensity of energy consumption by climate-intensive sectors	Screening criterion: No. 2a viii)	Principles 7 to 9 of the UN Global Compact state that companies should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies. It can therefore be assumed that companies that do not commit severe violations of the principles of the UN Global Compact will only

		have a limited adverse impact on the intensity of energy consumption in a given sector.
7. Activities with an adverse impact on regions with biodiversity that requires protection 8. Water pollution 9. Proportion of hazardous and radioactive waste	Screening criterion: No. 2a viii)	Principle 7 of the UN Global Compact in particular states that companies should support a precautionary approach to environmental challenges. It can therefore be assumed that companies that do not commit severe violations of the principles of the UN Global Compact will only have a limited adverse impact on biodiversity, water pollution and hazardous/radioactive waste.
10. Violations of the principles of the UN Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Screening criterion: No. 2a viii)	The screening criterion directly addresses violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
11. Insufficient processes and mechanisms for monitoring compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Screening criteria: No. 2a viii) No. 3 i)	Severe violations of the UN Global Compact are a direct result of insufficient processes and mechanisms for monitoring compliance. Furthermore, a poor ESG profile according to MSCI also suggests similar organisational deficiencies. Both screening criteria thus serve to reduce adverse impacts.
12. Persistent gender pay gaps 13. Mix of genders in management and control bodies	Screening criteria: No. 2a viii) No. 3 i)	Principle 6 of the UN Global Compact states that companies should uphold the elimination of discrimination in respect of employment and occupation. An above-average MSCI ESG rating for the "S" (social) dimension, meanwhile, also addresses risks relating to equal treatment and discrimination. It can therefore be assumed that applying both criteria will reduce adverse impacts.
14. Involvement with controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Screening criteria: No. 2a i) to v)	Companies that are involved with and/or manufacture controversial weapons are categorically excluded, as are those that generate more than 10% of their revenue from defence goods. It can therefore be assumed that adverse impacts in this respect are significantly reduced or avoided altogether.
Indicators for investments in countries and supranational organisations		
15. Intensity of GHG emissions	Screening criterion: Country emits over 1,000 tonnes of CO_2 per EUR 1	The screening criterion rules out countries that make no effort to bring their CO_2 emissions (measured in tonnes) down to a

	million of gross domestic product Data field: *Country GHG intensity* Data source: MSCI ESG Research	reasonable level in relation to their gross domestic product.
16. Countries in which investments are made that violate social norms	Screening criterion: No. 2b	The screening criterion addresses severe violations of democratic and human rights based on »Not Free« status according to the Freedom House Index or comparable ESG ratings. It also prevents the acquisition of financial instruments from countries and supranational issuers that have committed such violations. This reduces adverse impacts.



The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

What were the top investments of this financial product?

Data as of 30.11.2022

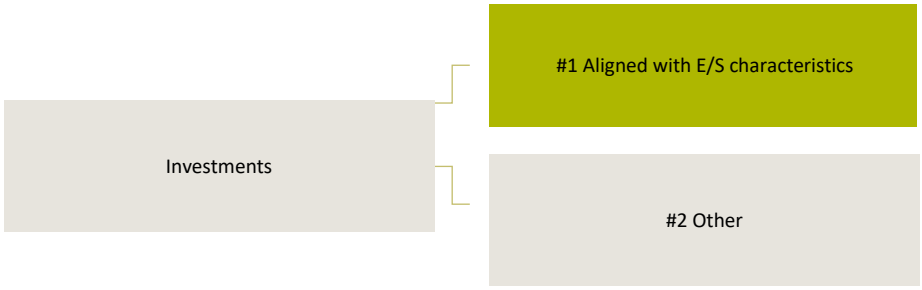
Largest investment	Sector	in % of the assets	Country
0,5000 % Frankreich EO-OAT 2015(25)	Sovereigns	6.86	France
0,0000 % Bundesrep.Deutschland Bundesobl.v.2020(25)	Sovereigns	4.33	Germany
0,9000 % Irland EO-Treasury Bonds 2018(28)	Sovereigns	4.26	Ireland
2,2000 % Italien, Republik EO-B.T.P. 2017(27)	Sovereigns	4.24	Italy
4,1250 % Portugal, Republik EO-Obr. 2017(27)	Sovereigns	3.27	Portugal
1,9500 % Portugal, Republik EO-Obr. 2019(29)	Sovereigns	3.24	Portugal
1,4000 % Spanien EO-Bonos 2018(28)	Sovereigns	3.01	Spain
0,3750 % Nord/LB Lux.S.A. Cov.Bond Bk. EO-M.-T.Lett.d.Ga.Publ. 19(24)	Collateralized / Covered / Luxembourg Covered	2.95	Luxembourg
0,3750 % BPCE SFH EO-Med.-T.Obl.Fin.Hab.2022(32)	Collateralized / Covered / France	2.44	France
0,5000 % Frankreich EO-OAT 2016(26)	Sovereigns	2.30	France
1,3500 % Irland EO-Treasury Bonds 2018(31)	Sovereigns	1.98	Ireland
0,5000 % Italien, Republik EO-B.T.P. 2021(28)	Sovereigns	1.82	Italy
2,0000 % Bca Monte dei Paschi di Siena EO-Mortg.Covered MTN 2019(24)	Collateralized / Covered / Italy Covered	1.50	Italy
1,9500 % Spanien EO-Obligaciones 2016(26)	Sovereigns	1.50	Spain
2,5000 % Van Lanschot Kempen N.V. EO-Med.-Term Cov. Bds 2022(28)	Collateralized / Covered / Netherlands Covered	1.49	Netherlands

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

- ***What was the asset allocation?***

According to the sales prospectus, at least 65% of the bonds of the sub-fund must fulfil the promoted environmental or social characteristics according to #1. As of the reporting date 30.11.2022, 97.06% of the sub-fund's bonds met the promoted environmental or social characteristics according to #1. #2 accounted for the sub-fund's remaining bonds as well as the sub-fund's cash and derivatives. The investment purpose of the investments covered by #2 is, on the one hand, to achieve the investment objective (securities and derivatives) and, on the other hand, to invest liquidity (cash); for the question of the description of any minimum environmental and social safeguards in the investments covered by #2, please refer to the section below "What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?"



#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.

In which economic sectors were the investments made?

The share of the sub-fund's investments in various sectors and sub-sectors as of the reporting date 30.11.2022 was assessed as follows:

Sectoren and sub-sectors	**Share in %**
Financials / Financials	1.29
Financials / Real Estate	0.59
Non-Financials / Real Estate	0
Non-Financials / Basic Materials	0.29
Non-Financials / Consumer Goods & Consumer Services	3.16
Non-Financials / Energy	0
Non-Financials / Health Care	2.20
Non-Financials / Industrials	3.41

Non-Financials / Oil & Gas	2.55
Non-Financials / Technology	0.96
Non-Financials / Telecommunications	4.28
Non-Financials / Utilities	4.34
Non-Financials / Others	0
Collateralized	25.40
Sovereigns	46.15
Sub-Sovereigns	0.71
Commodities (ETCs)	0
Funds	0



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

N/A



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A



What was the share of socially sustainable investments?

N/A



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other investments covers investments held by the sub-fund that are permitted under the investment policy in the annex to this Sales Prospectus pertaining to the sub-fund but are neither aligned with environmental or social characteristics nor categorised as sustainable.

Up to 35% of the securities held by the sub-fund may fall under **#2 Other investments**. The following value-based and norm-based criteria and minimum screening criteria ensure a

minimum level of environmental or social characteristics with respect to these investments:

1. Use of value-based or norm-based criteria:
   a. Companies participating in the UN Global Compact are favoured.
   b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.

2. Use of screening criteria:
   a. Companies:
      i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
      ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
      iii. Manufacturers/distributors of biological and chemical weapons
      iv. Manufacturers/distributors of depleted uranium weapons

The listed value and standard-based criteria and minimum exclusion criteria were complied with during the reporting period.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The measures taken during the reference period to comply with the sub-fund's environmental and/or social characteristics include, in particular, the implementation of sustainability analyses, compliance with ethical corporate principles and the analysis of reputational risks using ESG ratings from the data provider MSCI ESG Research as well as own analyses based on publicly available sources. The mapping of ESG restrictions was carried out within the framework of an investment compliance system, so that ex ante and ex post compliance with the specifications (and thus the environmental and/or social characteristics) could be technically verified at any time.

The participation policy defined by BANTLEON Invest GmbH as the sub-fund's management company on the basis of the EU Shareholder Rights Directive 2007/36/EC and Section 134b of the German Stock Corporation Act is not applied in the case of this sub-fund, as it does not invest in equities in accordance with its investment policy.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

N/A

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: BANTLEON OPPORTUNITIES S

Legal entity identifier (LEI-Code): 5299009B3CUH76W5J678

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**

☐ It made **sustainable investments with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ___%

☒ **No**

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments.

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments.**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the sub-fund include the following:

1. Use of value-based or norm-based criteria:
   a. Companies participating in the UN Global Compact are favoured.
   b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.

2. Use of screening criteria:
   a. Companies:

Bei den **wichtigsten nachteiligen Auswirkungen** handelt es sich um die bedeutendsten nachteiligen Auswirkungen von Investitionsentscheidungen auf Nachhaltigkeitsfaktoren in den Bereichen Umwelt, Soziales und Beschäftigung, Achtung der Menschenrechte und Bekämpfung von Korruption und Bestechung.

   i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
   ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
   iii. Manufacturers/distributors of biological and chemical weapons
   iv. Manufacturers/distributors of depleted uranium weapons
   v. More than 10% of revenue from manufacturing and/or distributing defence goods
   vi. More than 5% of revenue from manufacturing and/or distributing tobacco products
   vii. More than 30% of revenue from extracting and/or distributing coal
   viii. Severe violations of the UN Global Compact (with no positive outlook)
b. Government issuers:
   i. Severe violations of democratic and human rights (»Not Free« status according to the Freedom House Index or comparable internal/external ESG ratings).

3. Use of a minimum allocation to securities with a specific ESG rating
   i. At least 65% of the securities held by the sub-fund must be from issuers with an average ESG profile (equals a MSCI ESG rating »BB«, »BBB« or »A«) or above-average ESG profile (equals a MSCI ESG rating »AA« or »AAA«).

The above mentioned environmental and/or social characteristics promoted by the sub-fund were fully met during the reporting period. The sub-fund has not used any derivatives to enhance the promoted environmental and/or social characteristics.

- ***How did the sustainability indicators perform?***

  The following indicators were used to measure the extent to which individual environmental or social characteristics are achieved:

Environmental/social characteristic	**Indicator**
Favours companies participating in the UN Global Compact	Data field: *Global Compact Signatory* Data source: MSCI ESG Research
Favours companies from countries that promote the OECD Guidelines for Multinational Enterprises	The country in which the company has its registered office has signed up to the OECD Guidelines for Multinational Enterprises. Data sources: information in the public domain and information from MSCI ESG Research
Excludes manufacturers/distributors of: ▪ Anti-personnel mines ▪ Cluster munitions ▪ Biological and chemical weapons ▪ Depleted uranium weapons	Revenue generated from or in connection with controversial weapons Data field: *Controversial Weapons – Any Tie* Data source: MSCI ESG Research

Excludes companies in certain fields: ▪ More than 10% of revenue from manufacturing and/or distributing defence goods ▪ More than 5% of revenue from manufacturing and/or distributing tobacco products ▪ More than 30% of revenue from extracting and/or distributing coal	Revenue in each field is measured as a percentage of the company's total revenue. Data fields: ▪ *Weapons – Max. Percentage of Revenue* ▪ *Tobacco Producer – Max. Percentage of Revenue* ▪ *Generation Thermal Coal – Max. Percentage of Revenue* Data source: MSCI ESG Research
Excludes companies that have committed severe violations of the UN Global Compact (with no positive outlook)	Analysis of controversies involving the company in relation to the UN Global Compact Data field: *Global Compact Compliance* Data source: MSCI ESG Research
For government issuers: severe violations of democratic and human rights	»Not Free« status according to the Freedom House Index or comparable ESG ratings Data sources: MSCI ESG Research, comparable ESG research providers, in-house research
At least 65% of the securities held by the sub-fund must be from issuers with an average or above-average ESG profile.	Minimum rating of BB from MSCI ESG Research Data field: *ESG Rating* Data source: MSCI ESG Research

The selection criteria, restrictions and minimum requirements on which the defined sustainability indicators are based were continuously monitored during the reporting period and were complied with.

- ***…and compared to previous periods?***

  N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

  N/A



How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund considered the principal adverse impacts on sustainability factors. The table below sets out which sustainability factors were considered and which measures/exclusions were foreseen to prevent or reduce the adverse impacts of investment decisions on these factors

Sustainability factors	Consideration	Reasoning
Indicators for investments in companies		
1. Greenhouse gas (GHG) emissions 2. Carbon footprint 3. Intensity of the company's GHG emissions	Screening criteria: No. 2a vii) and viii) No. 3 i)	The screening criteria rule out companies that: • generate more than 30% of their revenue from coal-fired power generation • are involved in severe controversies relating to the principles of the UN Global Compact (including Principles 7-9, which concern the environment) • have high ESG risks (this applies to at least 65% of the sub-fund's assets) It can therefore be assumed that the portfolio's direct and indirect emissions are lower.
4. Investment in companies with fossil fuel operations	Screening criteria: No. 2a vii) No. 3 i)	The screening criteria rule out companies that: • generate more than 30% of their revenue from coal-fired power generation • have high ESG risks (this applies to at least 65% of the sub-fund's assets) This partially avoids exposure to these types of company.
5. Proportion of energy consumption and generation from non-renewable sources	Screening criterion: No. 2a vii)	This is taken into consideration because it can be assumed that reducing investments in non-renewable energy (in this case coal) will redirect capital flows towards renewable forms of energy, thus increasing their share of energy consumption and generation.
6. Intensity of energy consumption by climate-intensive sectors	Screening criterion: No. 2a viii)	Principles 7 to 9 of the UN Global Compact state that companies should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies. It can therefore be assumed that companies that do not commit severe violations of the principles of the UN Global Compact will only

		have a limited adverse impact on the intensity of energy consumption in a given sector.
7. Activities with an adverse impact on regions with biodiversity that requires protection 8. Water pollution 9. Proportion of hazardous and radioactive waste	Screening criterion: No. 2a viii)	Principle 7 of the UN Global Compact in particular states that companies should support a precautionary approach to environmental challenges. It can therefore be assumed that companies that do not commit severe violations of the principles of the UN Global Compact will only have a limited adverse impact on biodiversity, water pollution and hazardous/radioactive waste.
10. Violations of the principles of the UN Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Screening criterion: No. 2a viii)	The screening criterion directly addresses violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
11. Insufficient processes and mechanisms for monitoring compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Screening criteria: No. 2a viii) No. 3 i)	Severe violations of the UN Global Compact are a direct result of insufficient processes and mechanisms for monitoring compliance. Furthermore, a poor ESG profile according to MSCI also suggests similar organisational deficiencies. Both screening criteria thus serve to reduce adverse impacts.
12. Persistent gender pay gaps 13. Mix of genders in management and control bodies	Screening criteria: No. 2a viii) No. 3 i)	Principle 6 of the UN Global Compact states that companies should uphold the elimination of discrimination in respect of employment and occupation. An above-average MSCI ESG rating for the "S" (social) dimension, meanwhile, also addresses risks relating to equal treatment and discrimination. It can therefore be assumed that applying both criteria will reduce adverse impacts.
14. Involvement with controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Screening criteria: No. 2a i) to v)	Companies that are involved with and/or manufacture controversial weapons are categorically excluded, as are those that generate more than 10% of their revenue from defence goods. It can therefore be assumed that adverse impacts in this respect are significantly reduced or avoided altogether.
Indicators for investments in countries and supranational organisations		
15. Intensity of GHG emissions	Screening criterion: Country emits over 1,000 tonnes of CO_2 per EUR 1	The screening criterion rules out countries that make no effort to bring their CO_2 emissions (measured in tonnes) down to a

	million of gross domestic product Data field: *Country GHG intensity* Data source: MSCI ESG Research	reasonable level in relation to their gross domestic product.
16. Countries in which investments are made that violate social norms	Screening criterion: No. 2b	The screening criterion addresses severe violations of democratic and human rights based on »Not Free« status according to the Freedom House Index or comparable ESG ratings. It also prevents the acquisition of financial instruments from countries and supranational issuers that have committed such violations. This reduces adverse impacts.



The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

What were the top investments of this financial product?

Data as of 30.11.2022

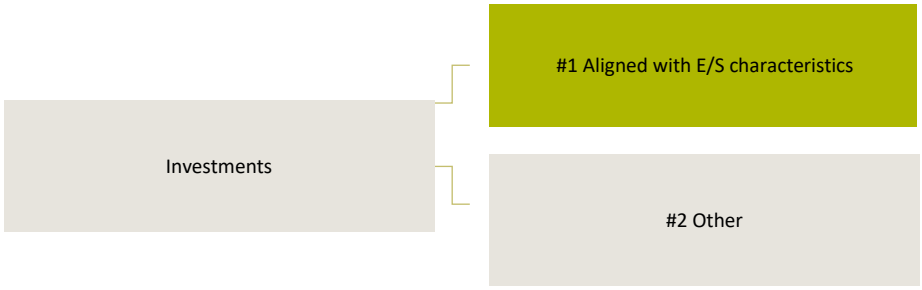
Largest investment	Sector	in % of the assets	Country
0,8750 % Cie de Financement Foncier EO-Med.-T. Obl.Fonc. 2018(28)	Collateralized / Covered / France	2.81	France
1,6500 % Italien, Republik EO-B.T.P. 2020(30)	Sovereigns	1.91	Italy
ASML Holding N.V. Aandelen op naam EO -,09	Equity / Non-Financials /	1.89	Netherlands
LVMH Moët Henn. L. Vuitton SE Actions Port. (C.R.) EO 0,3	Equity / Non-Financials / Consumer	1.89	France
0,0000 % Bundesrep.Deutschland Anl.v.2020 (2030)	Sovereigns	1.86	Germany
1,4000 % Spanien EO-Bonos 2018(28)	Sovereigns	1.72	Spain
1,5000 % Italien, Republik EO-B.T.P. 2015(25)	Sovereigns	1.64	Italy
0,3750 % Achmea Bank N.V. EO-M.-T.Mortg.Cov.Bds 2017(24)	Collateralized / Covered / Netherlands Covered	1.61	Netherlands
Linde PLC Registered Shares EO 0,001	Equity / Non-Financials / Materials	1.49	Ireland
2,8750 % Bca Monte dei Paschi di Siena EO-Mortg.Covered MTN 2014(24)	Collateralized / Covered / Italy Covered	1.49	Italy
4,1250 % Portugal, Republik EO-Obr. 2017(27)	Sovereigns	1.36	Portugal
TotalEnergies SE Actions au Porteur EO 2,50	Corporates / Non-Financials / Energy / Energy	1.34	France
0,1250 % Belfius Bank S.A. EO-M.-T.Mortg.Pandbr. 2020(30)	Collateralized / Covered / Belgium Covered	1.24	Belgium
0,5000 % Frankreich EO-OAT 2015(25)	Sovereigns	1.19	France
1,0000 % NIBC Bank N.V. EO-M.-T. Mortg.Cov.Bds 18(28)	Collateralized / Covered / Netherlands Covered	1.19	Netherlands

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

- ***What was the asset allocation?***

  According to the sales prospectus, at least 65% of the bonds and equities of the sub-fund must fulfil the promoted environmental or social characteristics according to #1. As of the reporting date 30.11.2022, 97.62% of the sub-fund's bonds and equities met the promoted environmental or social characteristics according to #1. #2 accounted for the sub-fund's remaining bonds and equities as well as the sub-fund's cash and derivatives. The investment purpose of the investments covered by #2 is, on the one hand, to achieve the investment objective (securities and derivatives) and, on the other hand, to invest liquidity (cash); for the question of the description of any minimum environmental and social safeguards in the investments covered by #2, please refer to the section below "What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?"



#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.

In which economic sectors were the investments made?

The share of the sub-fund's investments in various sectors and sub-sectors as of the reporting date 30.11.2022 was assessed as follows:

Sectoren and sub-sectors	**Share in %**
Financials / Financials	0
Financials / Real Estate	0.19
Non-Financials / Real Estate	0
Non-Financials / Basic Materials	3.65
Non-Financials / Consumer Goods & Consumer Services	11.88
Non-Financials / Energy	1.64
Non-Financials / Health Care	4.57
Non-Financials / Industrials	4.61

Non-Financials / Oil & Gas	1.31
Non-Financials / Technology	3.91
Non-Financials / Telecommunications	3.34
Non-Financials / Utilities	4.05
Non-Financials / Others	0
Collateralized	22.26
Sovereigns	36.08
Sub-Sovereigns	0
Commodities (ETCs)	0
Funds	0



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

N/A



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A



What was the share of socially sustainable investments?

N/A



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other investments covers investments held by the sub-fund that are permitted under the investment policy in the annex to this Sales Prospectus pertaining to the sub-fund but are neither aligned with environmental or social characteristics nor categorised as sustainable.

Up to 35% of the securities held by the sub-fund may fall under **#2 Other investments**. The following value-based and norm-based criteria and minimum screening criteria ensure a

minimum level of environmental or social characteristics with respect to these investments:

1. Use of value-based or norm-based criteria:
   a. Companies participating in the UN Global Compact are favoured.
   b. Companies from countries that promote the OECD Guidelines for Multinational Enterprises are favoured.

2. Use of screening criteria:
   a. Companies:
      i. Manufacturers/distributors of anti-personnel mines (Ottawa Convention, 1997)
      ii. Manufacturers/distributors of cluster munitions (Oslo Convention, 2008)
      iii. Manufacturers/distributors of biological and chemical weapons
      iv. Manufacturers/distributors of depleted uranium weapons

The listed value and standard-based criteria and minimum exclusion criteria were complied with during the reporting period.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The measures taken during the reference period to comply with the sub-fund's environmental and/or social characteristics include, in particular, the implementation of sustainability analyses, compliance with ethical corporate principles and the analysis of reputational risks using ESG ratings from the data provider MSCI ESG Research as well as own analyses based on publicly available sources. The mapping of ESG restrictions was carried out within the framework of an investment compliance system, so that ex ante and ex post compliance with the specifications (and thus the environmental and/or social characteristics) could be technically verified at any time.

The participation policy defined by BANTLEON Invest GmbH as the sub-fund's management company on the basis of the EU Shareholder Rights Directive 2007/36/EC and Section 134b of the German Stock Corporation Act is applied in the case of this sub-fund, as it does invest in equities in accordance with its investment policy.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

N/A

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Continental European Flexible Fund

Legal entity identifier:
549300EK4APWIQOV3Y73

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)

Environmental and social characteristics promoted by the Fund
The Fund uses Blackrock's EMEA Baseline Screens with Fundamental Insights Methodology. The Fund may invest to a limited extent in issuers with exposure to nuclear weapons, fossil fuels, tobacco and civilian firearms. The basis for these investments is that the issuers are in "in transition" and focused on meeting sustainability criteria. However, issuers that do not meet the below screening criteria are excluded from investment Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear warheads Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles Exclusion of issuers deriving more than 25% of their revenue from the production of tar sands (also known as oil sands) Exclusion of issuers which produce tobacco products Exclusion of issuers which derive more than 5% of their revenue from the wholesale distribution and supply of tobacco related products Exclusion of issuers domiciled in the United States which produce firearms and/or small arms ammunition intended for retail to civilians Exclusion of issuers which derive more than 5% of their revenue from the production or retail distribution of firearms and/or small arms ammunition intended for civilian use Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

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

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator			
	Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)	**Exclusion of issuers deriving more than 25% of their revenue from the production and generation of tar sands (also known as oil sands)**	**Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles**	**Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)**
Exposure to companies active in the fossil fuel sector		P	P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises				P
Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	F			

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 14 December 2022 to 31 August 2023.

Largest investments	Sector	% Assets	Country
Novo Nordisk Class B	Health Care	8.78%	Denmark
Lvmh	Consumer Discretionary	7.75%	France
Asml Holding Nv	Information Technology	6.41%	Netherlands
Lonza Group Ag	Health Care	5.05%	Switzerland
StmicroelectronICS Nv	Information Technology	3.76%	Switzerland
Dsv	Industrials	3.43%	Denmark
Unicredit	Financials	3.39%	Italy
Linde Plc	Materials	3.08%	United Kingdom
Be Semiconductor Industries Nv	Information Technology	3.02%	Netherlands
Hermes International	Consumer Discretionary	2.99%	France
Asm International Nv	Information Technology	2.95%	Netherlands
Commerzbank Ag	Financials	2.87%	Germany
Societe Generale Sa	Financials	2.75%	France
Bank Of Ireland Group Plc	Financials	2.70%	Ireland
Sika Ag	Materials	2.68%	Switzerland

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

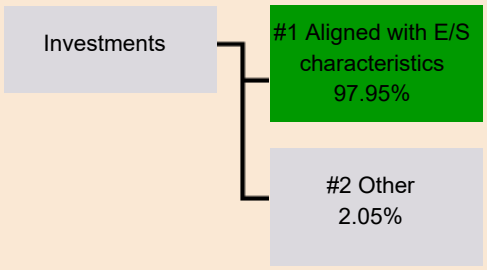
Continental European Flexible Fund (continued)



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)

In which economic sectors were the investments made?

The following table details the economic sectors that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Health Care	Pharma, Biotech & Life Sciences	16.60%
Financials	Banks	16.18%
Information Technology	Semiconductors & Semiconductor Equipment	16.14%
Industrials	Capital Goods	14.20%
Consumer Discretionary	Consumer Durables	13.09%
Materials	Materials	7.37%
Financials	Financial Services	5.13%
Industrials	Transportation	3.43%
Consumer Discretionary	Autos & Components	2.40%
Health Care	Health Care Equipment & Services	2.04%
Energy	Integrated Oil & Gas	0.93%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): oil and gas exploration and production, oil and gas drilling, oil and gas equipment services, oil and gas storage and transportation, oil and gas refining and marketing, coal and consumable fuels.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

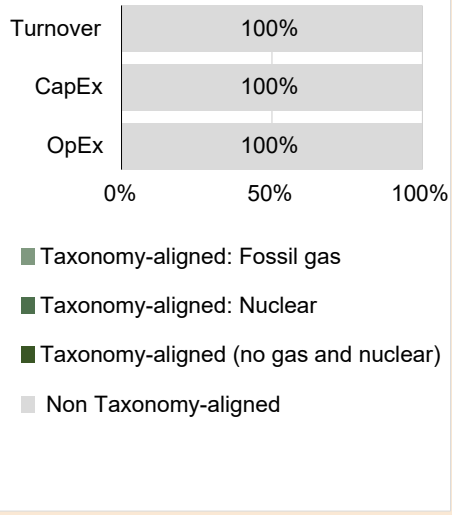
☐ In fossil gas ☐ In nuclear energy

☒ No

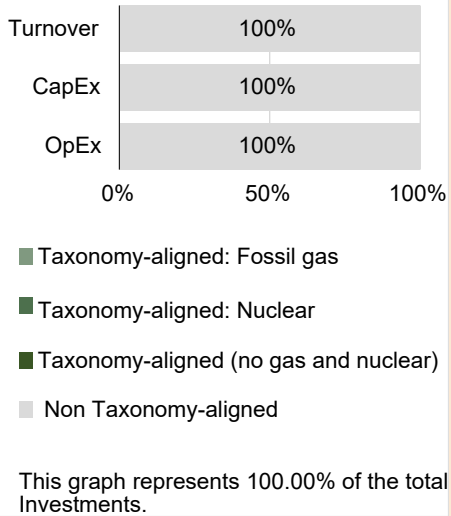
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What was the share of socially sustainable investments?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included derivatives, cash and near cash instruments however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging. No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at:
https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Continental European Flexible Fund (continued)



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

- **How does the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
European Equity Income Fund

Legal entity identifier:
549300EO4UBXXE7L7Y87

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)

Environmental and social characteristics promoted by the Fund
The Fund uses Blackrock's EMEA Baseline Screens with Fundamental Insights Methodology. The Fund may invest to a limited extent in issuers with exposure to nuclear weapons, fossil fuels, tobacco and civilian firearms. The basis for these investments is that the issuers are in "in transition" and focused on meeting sustainability criteria. However, issuers that do not meet the below screening criteria are excluded from investment Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear warheads Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles Exclusion of issuers deriving more than 25% of their revenue from the production of tar sands (also known as oil sands) Exclusion of issuers which produce tobacco products Exclusion of issuers which derive more than 5% of their revenue from the wholesale distribution and supply of tobacco related products Exclusion of issuers domiciled in the United States which produce firearms and/or small arms ammunition intended for retail to civilians Exclusion of issuers which derive more than 5% of their revenue from the production or retail distribution of firearms and/or small arms ammunition intended for civilian use Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

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

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

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.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator			
	Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)	**Exclusion of issuers deriving more than 25% of their revenue from the production and generation of tar sands (also known as oil sands)**	**Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles**	**Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)**
Exposure to companies active in the fossil fuel sector		P	P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises				P
Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	F			

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 September 2022 to 31 August 2023.

Largest investments	Sector	% Assets	Country
Novo Nordisk Class B	Health Care	3.92%	Denmark
Astrazeneca Plc	Health Care	3.73%	United Kingdom
Nestle Sa	Consumer Staples	3.54%	Switzerland
Vinci Sa	Industrials	3.47%	France
Roche Holding Par Ag	Health Care	3.36%	Switzerland
Bnp Paribas Sa	Financials	3.36%	France
Sampo	Financials	3.36%	Finland
Asml Holding Nv	Information Technology	3.27%	Netherlands
Tryg	Financials	3.21%	Denmark
Lonza Group Ag	Health Care	3.04%	Switzerland
Sanofi Sa	Health Care	3.03%	France
Zurich Insurance Group Ag	Financials	2.76%	Switzerland
Lvmh	Consumer Discretionary	2.70%	France
Schneider Electric	Industrials	2.22%	France
Compagnie De Saint Gobain Sa	Industrials	2.22%	France

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

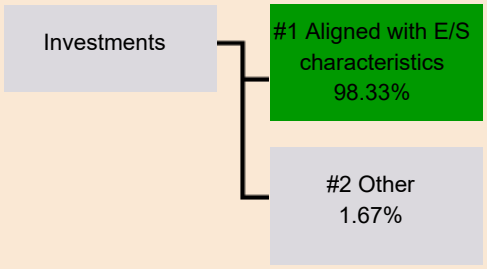
European Equity Income Fund (continued)



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)

In which economic sectors were the investments made?

The following table details the economic sectors representing 1% or more of investments held that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Health Care	Pharma, Biotech & Life Sciences	18.63%
Industrials	Capital Goods	18.61%
Financials	Insurance	13.57%
Financials	Banks	10.04%
Energy	Integrated Oil & Gas	6.09%
Consumer Staples	Food Beverage Tobacco	5.41%
Information Technology	Semiconductors & Semiconductor Equipment	4.94%
Materials	Materials	4.88%
Utilities	Utilities	3.07%
Consumer Discretionary	Consumer Durables	2.70%
Industrials	Commercial & Professional Services	2.40%
Consumer Staples	Household & Personal Products	2.34%
Consumer Discretionary	Consumer Discretionary Distribution & Retail	2.07%
Communication	Telecom	1.41%
Industrials	Transportation	1.16%
Financials	Financial Services	1.13%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): oil and gas exploration and production, oil and gas drilling, oil and gas equipment services, oil and gas storage and transportation, oil and gas refining and marketing, oil and gas equipment services, coal and consumable fuels.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

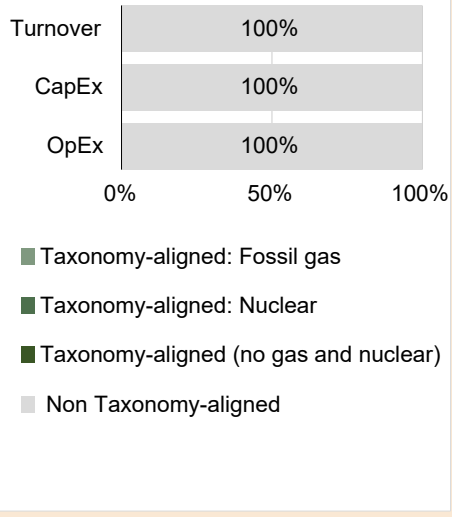
☐ In fossil gas ☐ In nuclear energy

☒ No

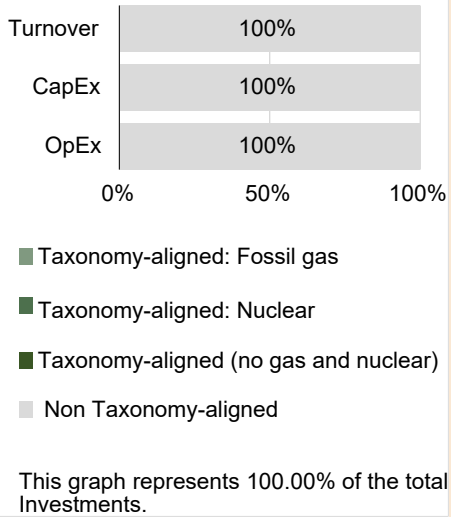
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What was the share of socially sustainable investments?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included cash and near cash instruments however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging. No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at:
https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Equity Income Fund (continued)



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

- **How does the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Focus Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
European Focus Fund

Legal entity identifier:
549300G4IU6YIF26IE36

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
European Value Fund

Legal entity identifier:
549300VTJEFQIEUK4533

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)

Environmental and social characteristics promoted by the Fund
The Fund uses Blackrock's EMEA Baseline Screens with Fundamental Insights Methodology. The Fund may invest to a limited extent in issuers with exposure to nuclear weapons, fossil fuels, tobacco and civilian firearms. The basis for these investments is that the issuers are in "in transition" and focused on meeting sustainability criteria. However, issuers that do not meet the below screening criteria are excluded from investment Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear warheads Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles Exclusion of issuers deriving more than 25% of their revenue from the production of tar sands (also known as oil sands) Exclusion of issuers which produce tobacco products Exclusion of issuers which derive more than 5% of their revenue from the wholesale distribution and supply of tobacco related products Exclusion of issuers domiciled in the United States which produce firearms and/or small arms ammunition intended for retail to civilians Exclusion of issuers which derive more than 5% of their revenue from the production or retail distribution of firearms and/or small arms ammunition intended for civilian use Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

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

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator			
	Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)	Exclusion of issuers deriving more than 25% of their revenue from the production and generation of tar sands (also known as oil sands)	Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles	Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)
Exposure to companies active in the fossil fuel sector		P	P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises				P
Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	F			

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 September 2022 to 31 August 2023.

Largest investments	Sector	% Assets	Country
Bp Plc	Energy	4.23%	United Kingdom
Rwe Ag	Utilities	3.50%	Germany
Astrazeneca Plc	Health Care	3.49%	United Kingdom
Shell Plc	Energy	3.26%	United Kingdom
Zurich Insurance Group Ag	Financials	3.20%	Switzerland
Unicredit	Financials	3.16%	Italy
Compagnie De Saint Gobain Sa	Industrials	3.02%	France
Nordea Bank	Financials	2.96%	Finland
Vinci Sa	Industrials	2.85%	France
Bank Of Ireland Group Plc	Financials	2.62%	Ireland
Schneider Electric	Industrials	2.50%	France
Hsbc Holdings Plc	Financials	2.35%	United Kingdom
StmicroelectronICS Nv	Information Technology	2.35%	Switzerland
Upm-Kymmene	Materials	2.33%	Finland
Mercedes-Benz Group N Ag	Consumer Discretionary	2.30%	Germany

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

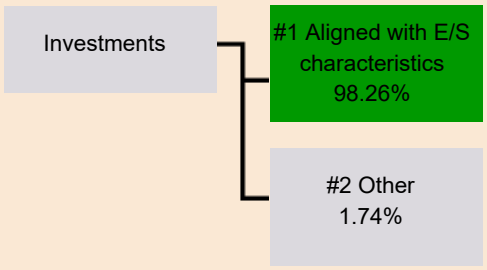
European Value Fund (continued)



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)

In which economic sectors were the investments made?

The following table details the economic sectors representing 1% or more of investments held that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Industrials	Capital Goods	22.38%
Financials	Banks	17.94%
Health Care	Pharma, Biotech & Life Sciences	13.13%
Energy	Integrated Oil & Gas	9.40%
Financials	Insurance	6.04%
Utilities	Utilities	5.75%
Industrials	Transportation	3.81%
Materials	Materials	3.42%
Information Technology	Semiconductors & Semiconductor Equipment	2.35%
Consumer Discretionary	Consumer Durables	2.33%
Consumer Discretionary	Autos & Components	2.30%
Industrials	Commercial & Professional Services	2.20%
Consumer Discretionary	Consumer Discretionary Distribution & Retail	2.07%
Information Technology	Software & Services	2.00%
Financials	Financial Services	1.57%
Consumer Discretionary	Consumer Services	1.12%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): oil and gas exploration and production, oil and gas drilling, oil and gas equipment services, oil and gas storage and transportation, oil and gas refining and marketing, coal and consumable fuels.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

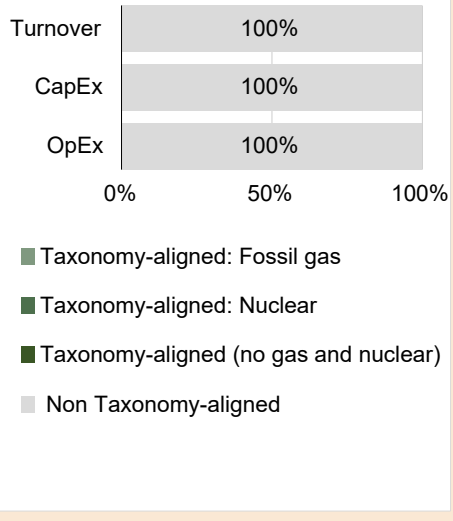
☐ In fossil gas ☐ In nuclear energy

☒ No

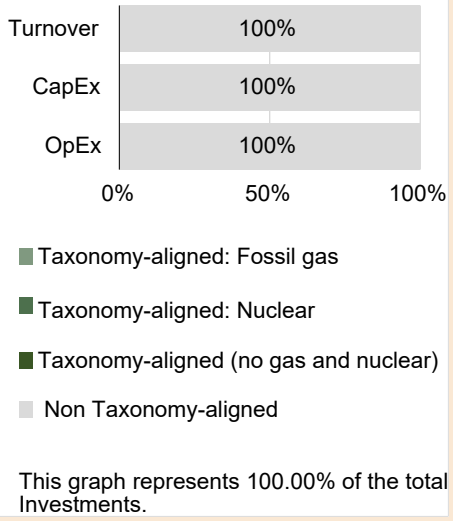
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What was the share of socially sustainable investments?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included cash and near cash instruments however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging. No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at:
https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

European Value Fund (continued)



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
World Technology Fund

Legal entity identifier:
5493007T8WWG2QURHU23

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)

Environmental and social characteristics promoted by the Fund
The Fund uses Blackrock's EMEA Baseline Screens with Fundamental Insights Methodology. The Fund may invest to a limited extent in issuers with exposure to nuclear weapons, fossil fuels, tobacco and civilian firearms. The basis for these investments is that the issuers are in "in transition" and focused on meeting sustainability criteria. However, issuers that do not meet the below screening criteria are excluded from investment Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear warheads Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles Exclusion of issuers deriving more than 25% of their revenue from the production of tar sands (also known as oil sands) Exclusion of issuers which produce tobacco products Exclusion of issuers which derive more than 5% of their revenue from the wholesale distribution and supply of tobacco related products Exclusion of issuers domiciled in the United States which produce firearms and/or small arms ammunition intended for retail to civilians Exclusion of issuers which derive more than 5% of their revenue from the production or retail distribution of firearms and/or small arms ammunition intended for civilian use Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

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

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator			
	Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)	**Exclusion of issuers deriving more than 25% of their revenue from the production and generation of tar sands (also known as oil sands)**	**Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles**	**Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)**
Exposure to companies active in the fossil fuel sector		P	P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises				P
Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	F			

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 September 2022 to 31 August 2023.

Largest investments	Sector	% Assets	Country
Apple Inc	Information Technology	8.47%	United States
Microsoft Corp	Information Technology	8.32%	United States
Nvidia Corp	Information Technology	5.57%	United States
Asml Holding Nv	Information Technology	3.07%	Netherlands
Mastercard Inc Class A	Financials	3.00%	United States
Cadence Design Systems Inc	Information Technology	2.96%	United States
Tesla Inc	Consumer Discretionary	2.77%	United States
Visa Inc Class A	Financials	2.73%	United States
Alphabet Inc Class A	Communication	2.35%	United States
Broadcom Inc	Information Technology	2.25%	United States
Advanced Micro Devices Inc	Information Technology	2.18%	United States
Oracle Corp	Information Technology	1.90%	United States
Amazon Com Inc	Consumer Discretionary	1.80%	United States
Lam Research Corp	Information Technology	1.70%	United States
Meta Platforms Inc Class A	Communication	1.69%	United States

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

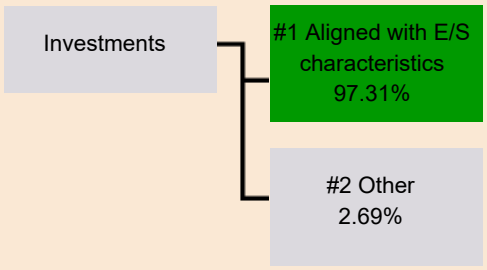
World Technology Fund (continued)



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#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

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)

In which economic sectors were the investments made?

The following table details the economic sectors representing 1% or more of investments held that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Information Technology	Software & Services	30.18%
Information Technology	Semiconductors & Semiconductor Equipment	26.85%
Information Technology	Tech Hardware & Equipment	11.83%
Financials	Financial Services	8.83%
Communication	Media & Entertainment	8.08%
Consumer Discretionary	Consumer Discretionary Distribution & Retail	4.28%
Consumer Discretionary	Autos & Components	2.87%
Industrials	Commercial & Professional Services	1.03%
Consumer Discretionary	Consumer Services	1.01%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): intergrated oil and gas, oil and gas exploration and production, oil and gas drilling, oil and gas equipment services, oil and gas storage and transportation, oil and gas refining and marketing, coal and consumable fuels.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

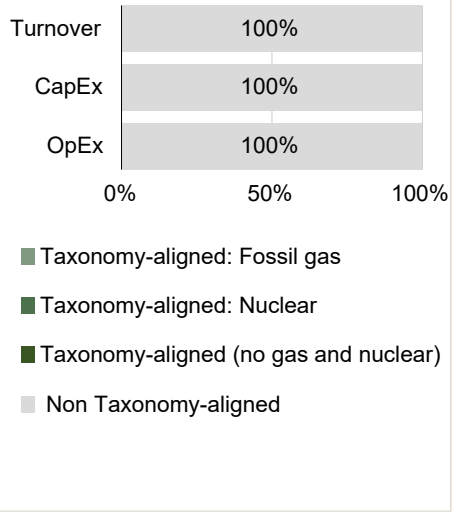
☐ In fossil gas ☐ In nuclear energy

☒ No

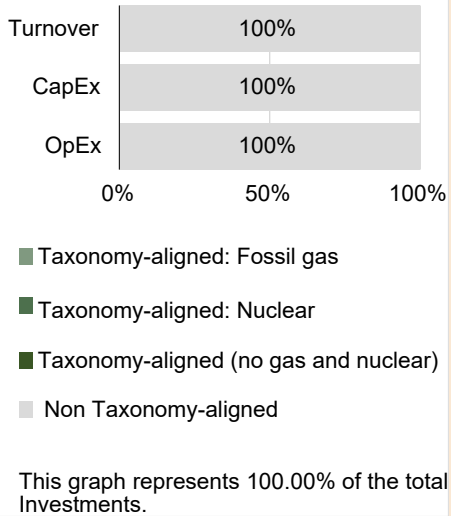
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What was the share of socially sustainable investments?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included cash and near cash instruments however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging. No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at:
https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Technology Fund (continued)



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

SUSTAINABILITY-RELATED DISCLOSURES (UNAUDITED) (continued)

BlackRock Sustainable Fixed Income Strategies Fund

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
BlackRock Sustainable Fixed Income Strategies Fund

Legal entity identifier:
549300NET6YB688UCO80

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- ☐ **Yes**
- ☒ **No**

- ☐ It made **sustainable investments with an environmental objective:** __%
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ It made **sustainable investments with a social objective:** __%

- ☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 26.89% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☒ with a social objective
- ☐ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

SUSTAINABILITY-RELATED DISCLOSURES (UNAUDITED) (continued)

BlackRock Sustainable Fixed Income Strategies Fund (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Environmental and social characteristics promoted by the Fund
Investment in Sustainable Investments
Investment in use-of-proceeds bonds
Investments in issuers deemed to have positive externalities, at a minimum 20%
Limiting investments in issuers deemed to have negative externalities
Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)
Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear weapons or nuclear weapon components or delivery platforms, or the provision of auxiliary services related to nuclear weapons
Exclusion of issuers deriving more than 5% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of “green bonds”, that are considered to comply with the International Capital Markets Association’s Green Bond Principles, from such issuers
Exclusion of issuers deriving more than 5% of their revenue from the production and generation of tar sands (also known as oil sands)
Exclusion of issuers which produce tobacco products
Exclusion of issuers which derive more than 5% of their revenue from the production, distribution, retail and supply of tobacco-related products
Exclusion of issuers which produce firearms and/or small arms ammunition intended for retail to civilians
Exclusion of issuers which derive more than 5% of their revenue from the distribution (wholesale or retail) of firearms and/or small arms ammunition intended for civilian use
Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

NM1023U-3143003-721/742

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Investment in use-of-proceeds bonds	% use-of-proceeds bonds held by the Fund	13.83%
Investments in issuers deemed to have positive externalities, at a minimum 20%	% investments deemed to have positive externalities held by the Fund	49.41%
Limiting investments in issuers deemed to have negative externalities	# of active breaches	No active breaches
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches
Investment in Sustainable Investments	% of Sustainable Investments held by the Fund	26.89%[1]

[1]Effective 29 December 2022, the Fund committed to holding Sustainable Investments, therefore this percentage has been presented using data from 29 December 2022 to 31 May 2023.

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

During the reference period, the Fund invested 26.89% of its holdings in Sustainable Investments in pursuit of its investment objective.

Environmental and social objectives

The Fund invested in Sustainable Investments which contributed to a range of environmental and/or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals and other sustainability-related frameworks ("Environmental and Social Objectives").

Economic activity assessment

An investment was assessed as contributing to an environmental and/or social objective where:
(i) a minimum proportion of the issuer's business activity contributed to an environmental and/or social objective; or the issuer's business practices contributed to an environmental and/or social objective; or
(ii) the use of proceeds was assessed as contributing to an environmental and/or social objective such as green bonds, social bonds, and sustainability bonds; or
(iii) the fixed income securities were aligned with an environmental and/or social objective.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Sustainable Investments held by the Fund during the reference period met the do no significant harm ("DNSH") requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  The indicators for principal adverse impacts ("PAI"s) on sustainability factors for each type of investment were assessed using BlackRock's Sustainable Investments proprietary methodology. All relevant mandatory PAI indicators included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288 were considered. BlackRock makes use of fundamental analysis and/or third-party data sources to identify investments which negatively impact sustainability factors and cause significant harm. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

  Use-of-proceeds bonds, such as green bonds, social bonds and sustainability bonds, held in the Fund complied with the ICMA Green Bond Principles, ICMA Social Bond Principles or ICMA Sustainability Bond Guidelines where applicable. Most PAIs are considered at the issuance level for use-of-proceeds bonds, except for involvement in controversial weapons and violation of UN Global Compact or OECD Guidelines for Multinational Enterprises, which are assessed at the issuer level.

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

  Sustainable Investments held during the reference period were assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Advisor has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

	Sustainability indicator					
Adverse Sustainability Indicator	**Investments in issuers deemed to have positive externalities**	**Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)**	**Exclusion of issuers deriving more than 5% of their revenue from the production and generation of tar sands (also known as oil sands)**	**Exclusion of issuers deriving more than 5% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles, from such issuers**	**Exclusion of issuers have been involved in violations of the UN Global Compact as determined by MSCI or such other external ESG research provider used by the Investment Advisor from time to time**	**Investment in use-of-proceeds bonds**
Greenhouse gas (GHG) emissions						P
GHG intensity of investee companies						P
Exposure to companies active in the fossil fuel sector			P	P		
Energy consumption intensity per high impact climate sector	P					
Violations of UN Global Compact principles and Organisation for Economic Cooperation and					P	

Development (OECD) Guidelines for Multinational Enterprises	
Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	F

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 June 2022 to 31 May 2023.

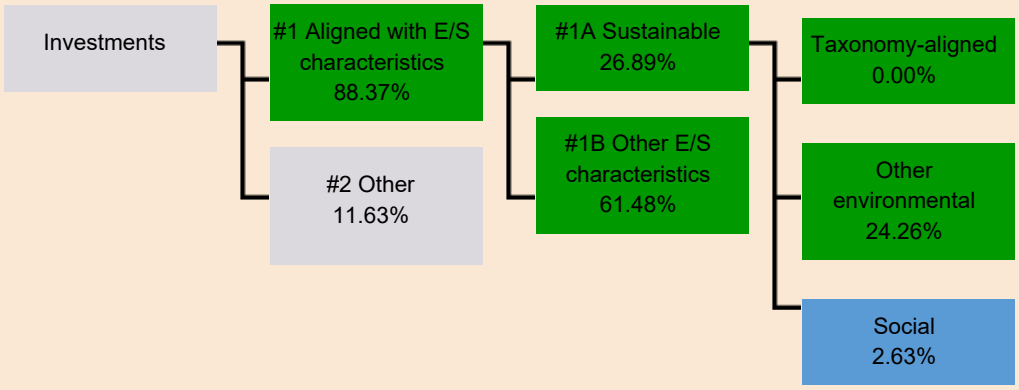
Largest investments	Sector	% Assets	Country
Cyprus (Republic Of) Mtn Regs	Treasuries	1.01%	Cyprus
European Investment Bank Mtn Regs	Supranational	0.98%	Supranational
Cash Collateral Eur Xmle	Financial Institutions	0.91%	European Union
Finland (Republic Of)	Treasuries	0.89%	Finland
Montenegro (Republic Of) Regs	Sovereign	0.86%	Montenegro, Republic of
New Zealand (Government Of) Regs	Treasuries	0.81%	New Zealand
European Financial Stability Facil Regs	Supranational	0.81%	Supranational
Belgium (Kingdom Of)	Treasuries	0.69%	Belgium
European Investment Bank Regs	Government Related	0.65%	Supranational
Banco Santander Sa Regs	Covered	0.65%	Spain
Danske Bank A/S Mtn Regs	Financial Institutions	0.64%	Denmark
Kfw Mtn Regs	Agency	0.62%	Germany
Deriv Eur Balance With R67675 Luk	Financial Institutions	0.61%	European Union
Cash Collateral Eur Xbaml	Financial Institutions	0.58%	European Union
Nextera Energy Operating Partners 144A	Utilities	0.56%	United States

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

In which economic sectors were the investments made?

The following table details the economic sectors that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Financial Institutions	Banking	24.04%
Industrial	Treasuries	8.99%
ABS	Other	8.26%
Covered	Mortgage Collateralized	5.39%
Government Related	Government Related	5.19%
Financial Institutions	Finance Companies	4.03%
Agency	Government Guaranteed	4.01%
Other	Other	3.85%
Utility	Electric	3.61%
Sovereign	Sovereign	3.52%
Agency	Owned No Guarantee	3.09%
Industrial	Communications	3.06%
Financial Institutions	Brokerage/Asset Managers/Exchanges	3.00%
Industrial	Consumer Cyclical	2.52%
CMBS	Non-Agency CMBS	2.49%
Local Authority	Local Authority	1.98%
ABS	Auto Backed	1.58%
Industrial	Transportation	1.52%
Industrial	Consumer Non-Cyclical	1.51%
Industrial	Capital Goods	1.07%
Financial Institutions	Insurance	1.03%
Industrial	Integrated	0.49%
Industrial	Metals and Mining	0.22%
Industrial	Midstream	0.21%
Industrial	Independent	0.05%
Industrial	Refining	0.02%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Barclays Industry Classification System): oil field services

SUSTAINABILITY-RELATED DISCLOSURES (UNAUDITED) (continued)

BlackRock Sustainable Fixed Income Strategies Fund (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

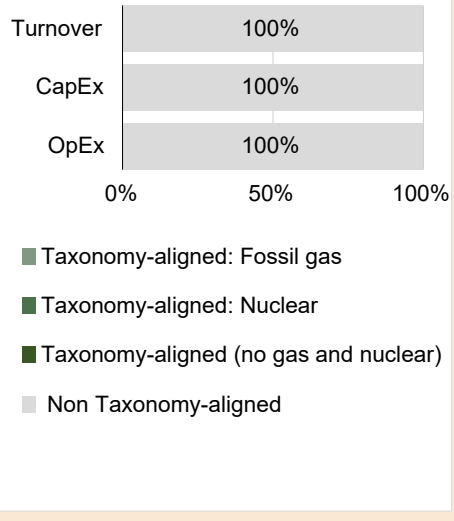
☐ In fossil gas ☐ In nuclear energy

☒ No

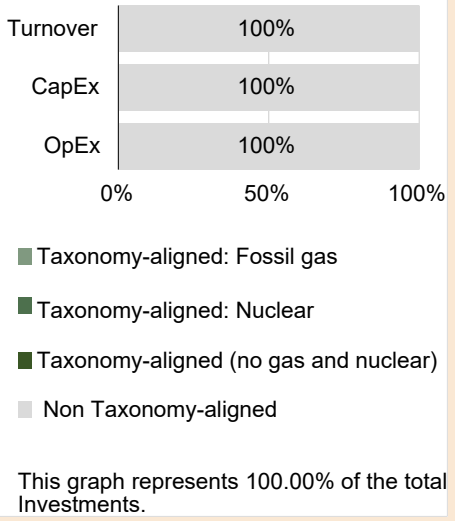
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

SUSTAINABILITY-RELATED DISCLOSURES (UNAUDITED) (continued)

BlackRock Sustainable Fixed Income Strategies Fund (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

For the reference period, 24.26% of the Fund's investments were classified as Sustainable Investments with an environmental objective not aligned with EU Taxonomy.

The Fund invested in Sustainable Investments that were not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment was unavailable; and/or (iii) underlying economic activities were not eligible under the EU Taxonomy's available technical screening criteria or did not comply with all requirements set out in such technical screening criteria.



What was the share of socially sustainable investments?

For the reference period, 2.63% of the Fund's investments were classified as socially Sustainable Investments.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" can include cash, derivatives or fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide, however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Advisor has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Advisor regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Advisor agrees with this external assessment, the Investment Advisor is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Advisor's direct engagement with the issuer. The Investment Advisor may also decide to reduce exposure to such issuers.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
World Healthscience Fund

Legal entity identifier:
549300OHN1ZT4WMEMU83

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** __%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** __%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)

Environmental and social characteristics promoted by the Fund
The Fund uses Blackrock's EMEA Baseline Screens with Fundamental Insights Methodology. The Fund may invest to a limited extent in issuers with exposure to nuclear weapons, fossil fuels, tobacco and civilian firearms. The basis for these investments is that the issuers are in "in transition" and focused on meeting sustainability criteria. However, issuers that do not meet the below screening criteria are excluded from investment Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear warheads Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles Exclusion of issuers deriving more than 25% of their revenue from the production of tar sands (also known as oil sands) Exclusion of issuers which produce tobacco products Exclusion of issuers which derive more than 5% of their revenue from the wholesale distribution and supply of tobacco related products Exclusion of issuers domiciled in the United States which produce firearms and/or small arms ammunition intended for retail to civilians Exclusion of issuers which derive more than 5% of their revenue from the production or retail distribution of firearms and/or small arms ammunition intended for civilian use Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"	# of active breaches	No active breaches

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio. Please refer to the section below, "How did this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considered PAIs on sustainability factors.

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

  This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator			
	Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)	**Exclusion of issuers deriving more than 25% of their revenue from the production and generation of tar sands (also known as oil sands)**	**Exclusion of issuers deriving more than 25% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles**	**Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)**
Exposure to companies active in the fossil fuel sector		P	P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises				P
Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	F			

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 September 2022 to 31 August 2023.

Largest investments	Sector	% Assets	Country
Unitedhealth Group Inc	Health Care	6.77%	United States
Eli Lilly	Health Care	4.96%	United States
Astrazeneca Plc	Health Care	4.20%	United Kingdom
Merck & Co Inc	Health Care	4.13%	United States
Novo Nordisk Class B	Health Care	4.02%	Denmark
Johnson & Johnson	Health Care	3.74%	United States
Thermo Fisher Scientific Inc	Health Care	3.54%	United States
Roche Holding Par Ag	Health Care	3.47%	Switzerland
Boston Scientific Corp	Health Care	3.16%	United States
Abbvie Inc	Health Care	2.81%	United States
Sanofi Sa	Health Care	2.76%	France
Danaher Corp	Health Care	2.39%	United States
Amgen Inc	Health Care	2.34%	United States
Intuitive Surgical Inc	Health Care	2.27%	United States
Pfizer Inc	Health Care	2.23%	United States

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

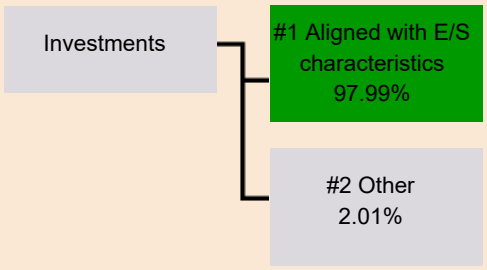
World Healthscience Fund (continued)



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)

In which economic sectors were the investments made?

The following table details the economic sectors representing 1% or more of investments held that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Health Care	Pharma, Biotech & Life Sciences	61.73%
Health Care	Health Care Equipment & Services	36.24%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): intergrated oil and gas, oil and gas exploration and production, oil and gas drilling, oil and gas equipment services, oil and gas storage and transportation, oil and gas refining and marketing, coal and consumable fuels.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

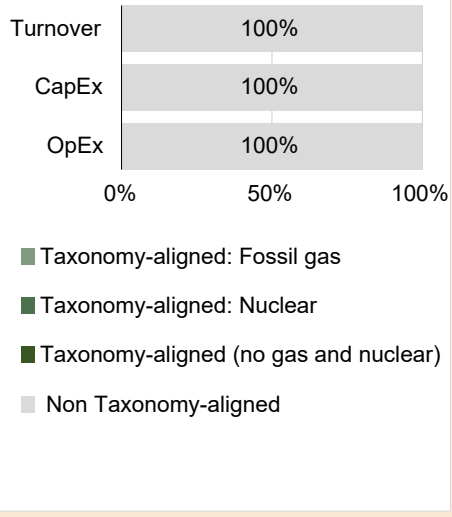
☐ In fossil gas ☐ In nuclear energy

☒ No

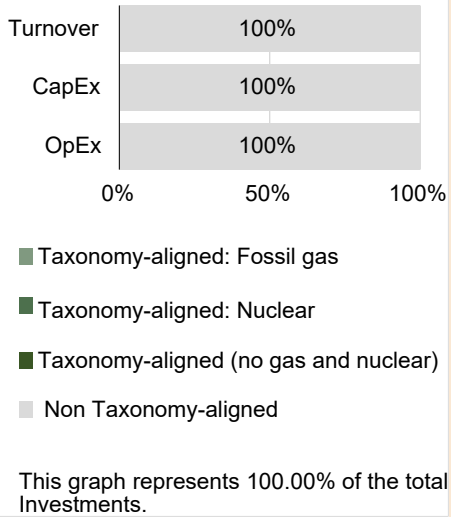
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What was the share of socially sustainable investments?

This section is not applicable for this Fund as it did not commit to holding Sustainable Investments during the reference period, however, certain Sustainable Investments may form part of the Fund's investment portfolio.



What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included derivatives, cash and near cash instruments however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging. No other investments held by the Fund were assessed against minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at: https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

World Healthscience Fund (continued)



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

- **How does the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS FUNDS DISRUPTIVE TECHNOLOGY **Legal Entity Identifier:** 2138004CX3USCVHG2V51

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective** : ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 51.3% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100%**

- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology: **98.9%**

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **60.9 vs 56.0** (MSCI World (EUR) NR)

- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation: **51.3%**

...and compared to previous periods ?

Not applciable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its

revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

How were the indicators for adverse impacts on sustainability factors taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues - Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water

9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF



What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
MICROSOFT CORP	Information Technology	6.50%	United States
APPLE INC	Information Technology	5.35%	United States
FIRST SOLAR INC	Information Technology	4.09%	United States
VISA INC CLASS A A	Information Technology	4.02%	United States
ALPHABET INC CLASS A A	Communication Services	3.92%	United States
ASML HOLDING NV	Information Technology	3.63%	Netherlands
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD ADR	Information Technology	3.27%	Taiwan
BOOKING HOLDINGS INC	Consumer Discretionary	3.12%	United States
ADVANCED MICRO DEVICES INC	Information Technology	3.04%	United States
ENTEGRIS INC	Information Technology	3.02%	United States
CIENA CORP	Information Technology	2.94%	United States
FAIR ISAAC CORP	Information Technology	2.71%	United States
PURE STORAGE INC CLASS A A	Information Technology	2.70%	United States
COPART INC	Industrials	2.61%	United States
GENMAB	Health Care	2.61%	Denmark

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference;

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product **83.9%.**

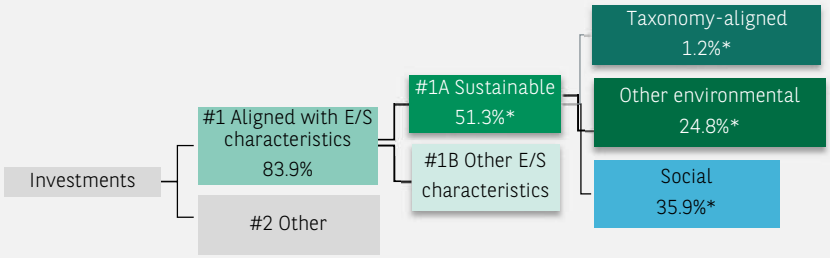
The proportion of sustainable investments of the financial product is **51.3%.**

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Information Technology	68.18%
Consumer Discretionary	7.85%
Industrials	6.77%
Communication Services	4.53%
Health Care	4.50%
Real Estate	3.80%
Financials	2.53%
Cash	1.28%
Materials	0.46%
Forex contracts	0.10%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?

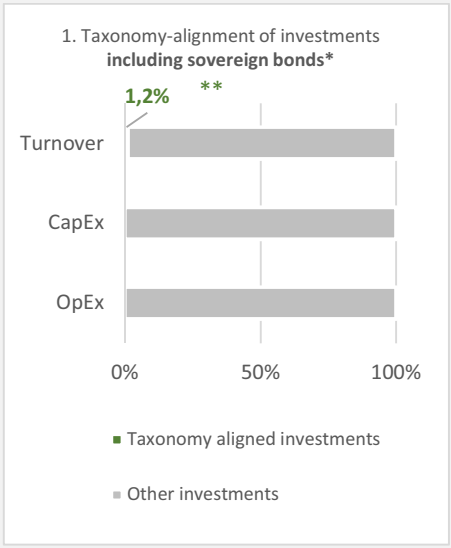
☐ Yes:

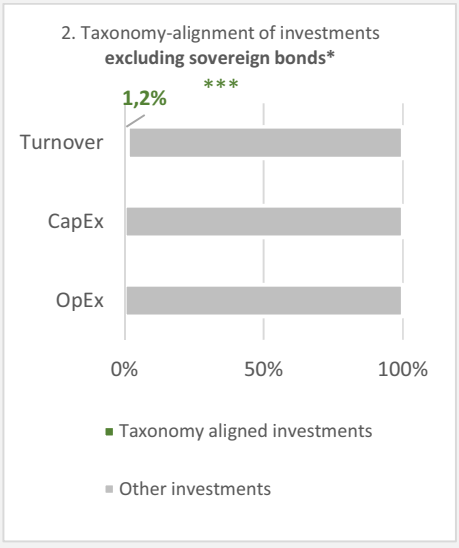
☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

The graphs below show in green the percentage of investments that were 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.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***Real taxonomy aligned*

****Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of*

Taxonomy-aligned activities are expressed as a share of: :
- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **24.8%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent **35.9%** of the financial product.

What investments were included under ' other', what is their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the 7 weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must invest at least 30% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS FUNDS EURO EQUITY **Legal Entity Identifier:** 549300OXKEMVB00IEY27

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective** : ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 57.2% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental social and governance practices.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100%**

- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology: **100%**

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **64.5 vs 61.4 (MSCI EMU (EUR) NR)**

- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation: **57.2%**

...and compared to previous periods ?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its

revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

<u>*Corporate mandatory indicators:*</u>
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues - Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF



What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
LVMH	Consumer Discretionary	7.48%	France
ASML HOLDING NV	Information Technology	6.66%	Netherlands
TOTALENERGIES	Energy	5.86%	France
SIEMENS N AG N	Industrials	5.46%	Germany
SCHNEIDER ELECTRIC	Industrials	4.38%	France
SANOFI SA	Health Care	4.00%	France
PROSUS NV	Consumer Discretionary	3.80%	Netherlands
DEUTSCHE TELEKOM N AG N	Communication	3.73%	Germany
NESTE	Energy	3.51%	Finland
SAMPO A	Financials	3.51%	Finland
ESSILORLUXOTTICA SA	Health Care	3.44%	France
STMICROELECTRONICS NV	Information Technology	3.21%	Switzerland
BANCO SANTANDER SA	Financials	3.20%	Spain
LAIR LIQUIDE SA POUR LETUDE ET LEXPLO DES PROCEDES GEORGES CL	Materials	2.96%	France
ALLIANZ	Financials	2.84%	Germany

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation ?

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product is **100%.**

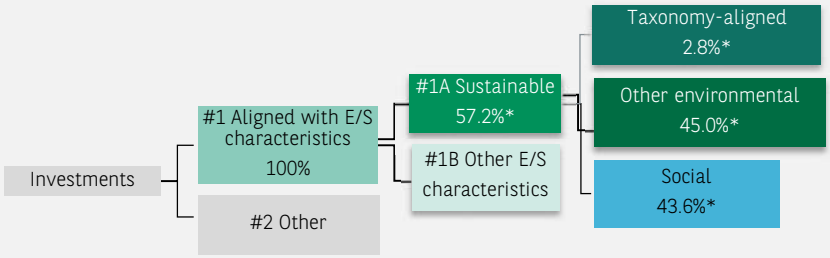
The proportion of sustainable investments of the financial product is **57.2%.**

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Financials	18.11%
Consumer Discretionary	17.01%
Information Technology	14.46%
Industrials	9.84%
Energy	9.37%
Materials	9.04%
Health Care	8.84%
Consumer Staples	6.57%
Communication Services	6.48%
Cash	0.27%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?

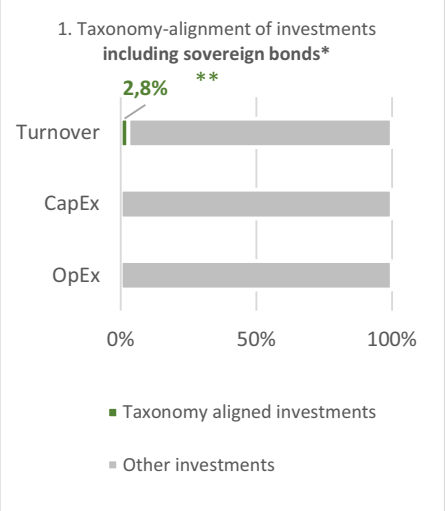
☐ Yes:

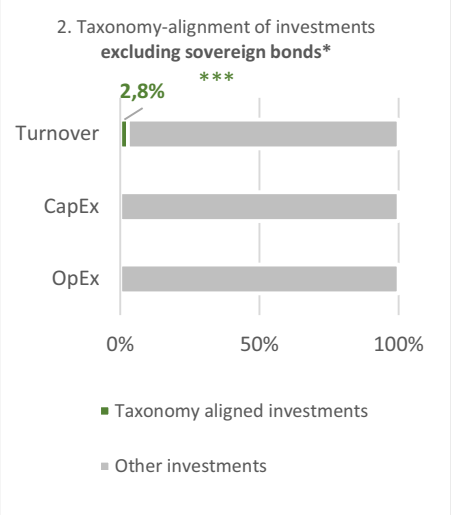
☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

The graphs below show in green the percentage of investments that were 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.*





Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***Real taxonomy aligned*

**** Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **45.0%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Socially sustainable investments represent **43.6%** of the financial product.



What investments were included under ' other', what is their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the 7 weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must invest at least 35% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS FUNDS EUROPE SMALL CAP CONVERTIBLE

Legal Entity Identifier: 2138000XH9EGW1RJUY77

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective**: ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective** : ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 36.2% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100.0%**
- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology : **93.5%**
- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **56.1 VS 52.9** (25% MSCI Europe Small Caps (EUR) NR + 40% EMIX Smaller Euroland (EUR) RI + 20% ICE BofAML Euro High Yield (EUR) RI + 5% MSCI Europe Mid Cap (EUR) NR + 5% MSCI Europe Micro Cap (EUR) NR + 5% MSCI France Micro Cap (EUR) NR)
- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation: **36.2%**

...and compared to previous periods ?

Not applicable for the first periodic report

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

The share of financial product investments considered by the SFDR regulation to be sustainable investments contributes in the proportions described in the question on the allocation of assets to the environmental objectives defined in the European Regulation on Taxonomy in force to date: climate change mitigation and/or adaptation to climate change.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

<u>*Corporate mandatory indicators:*</u>
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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

How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF



What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022

Largest investments	Sector	% Assets*	Country
CARREFOUR SA 0.00 PCT 14-JUN-2023	Consumer Staples	5.41%	France
BNP PARIBAS CASH INVEST R	Cash	5.35%	France
INDRA SISTEMAS SA 1.25 PCT 07-OCT-2023	Technology	4.47%	Spain
BW OFFSHORE LTD 2.50 PCT 12-NOV-2024	Energy	3.73%	Bermuda
ORPAR SA 0.00 PCT 20-JUN-2024	Financials	3.63%	France
MAISONS DU MONDE SA 0.13 PCT 06-DEC-2023	Consumer Discretionary	3.61%	France
OUTOKUMPU OYJ 5.00 PCT 09-JUL-2025	Materials	3.56%	Finland
DUERR AG 0.75 PCT 15-JAN-2026	Industrials	3.26%	Germany
ENCE ENERGIA Y CELULOSA SA 1.25 PCT 05-MAR-2023	Materials	3.03%	Spain
ENCAVIS FINANCE BV 1.88 PCT 31-DEC-2049	Utilities	3.01%	Netherlands
KLOECKNER & CO FINANCIAL SERVICES SA 2.00 PCT 08-SEP-2023	Materials	2.98%	Luxembourg
VOLTALIA SA 1.00 PCT 13-JAN-2025	Utilities	2.98%	France
CEMBRA MONEY BANK AG 0.00 PCT 09-JUL-2026	Financials	2.97%	Switzerland
FNAC DARTY SA 0.25 PCT 23-MAR-2027	Consumer Discretionary	2.80%	France
NEXITY SA 0.88 PCT 19-APR-2028	Real Estate	2.80%	France

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product shall be at least 69.8%.

The proportion of sustainable investments of the financial product is 36.2%.

The remaining proportion of the investments may include :

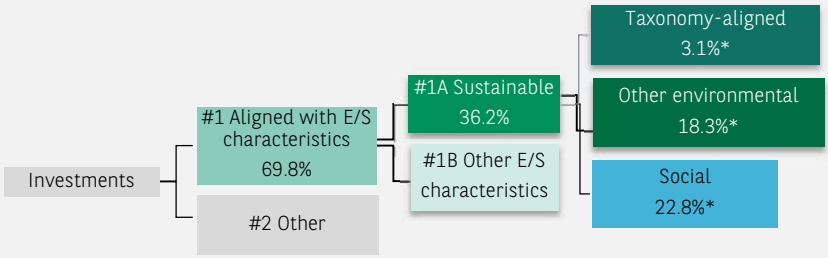
- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Technology	12.10%
Consumer staples	11.38%
Materials	10.44%
Utilities	10.36%
Industrials	8.82%
Real estate	8.73%
Financials	8.45%
Consumer discretionary	7.41%
Energy	6.50%
Cash	6.22%
Health care	5.34%
Communications	4.22%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

- *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

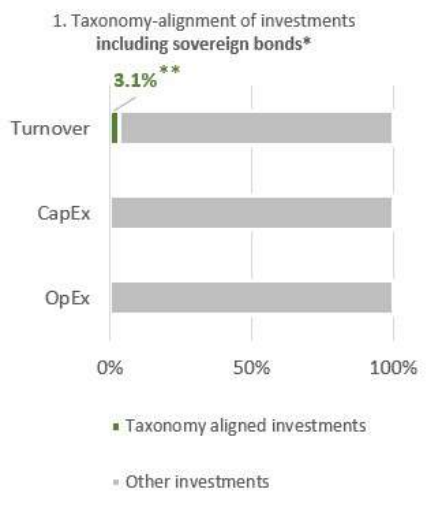
  - ☐ Yes:
    - ☐ In fossil gas
    - ☐ In nuclear energy
  - ☒ No:

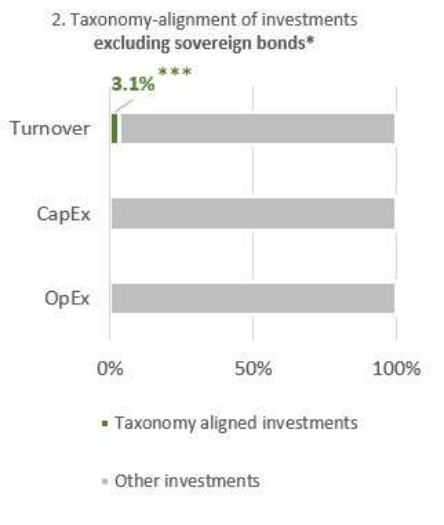
At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

*** Real taxonomy aligned*

**** Real taxonomy aligned. At the date of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy excluding sovereign bonds. The percentage of alignment of investments with the taxonomy including sovereign bonds being by construction a real minimum proportion, this same figure is used accordingly.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report..



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **18.3%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy..



What was the share of socially sustainable investments?

Socially sustainable investments represent **22.8%** of the financial product..



What investments were included under ' other', what was their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 75% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must invest at least 10% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name : BNP PARIBAS FUNDS LOCAL EMERGING BOND **Legal Entity Identifier:** 213800I22KUZJM4CEK30

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective** : ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 9.6% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental, social and governance practices.

Corporate issuers

The investment strategy selects:

Corporate issuers with good or improving ESG practices within their sector of activity. The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Sovereign issuers

The investment strategy selects sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using an internal Sovereign ESG methodology that focuses on measuring governments' efforts to produce and preserve assets, goods, and services with high ESG values, according to their level of economic development. This involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution

- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital

- Governance: business rights, corruption, democratic life, political stability, security

BNP Paribas Asset Management's Global Sustainability Strategy places a strong emphasis on combatting climate change. Therefore, given the importance of sovereigns in addressing climate change, the internal Sovereign ESG methodology includes an additional scoring component that captures the country's contribution to progress towards the net-zero goals set out in the Paris Agreement. This additional scoring component reflects countries' commitment to future targets balanced by their current policies and their forward-looking physical climate risk exposure. It combines temperature alignment methodology for determining national contributions to climate change with an assessment of the laws and policies countries have in place for addressing climate change.

The investment manager also applies the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on certain countries and/or activities that are considered as being particularly exposed to money laundering and terrorism financing related risks.

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100%**

- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology: **100%**

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **53.4 vs 49.9 (85% JPM GBI - EM**

Global Diversified ex-China (USD) RI + 10% Bloomberg China Aggregate Index (USD) RI + 5% ICE BofA Q5BW Custom (USD) RI)

- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation: **9.6%**

...and compared to previous periods ?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

   a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

   b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising

companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

- *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?*

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF/

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in

consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the underlying assets, the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
BNPP RMB BOND-X C	Other	9.60%	Luxembourg
BRAZIL FEDERATIVE REPUBLIC OF (GOVERNMENT) 10.00 PCT 01-JAN-2027	Government	7.01%	Brazil
SOUTH AFRICA (REPUBLIC OF) 8.50 PCT 31-JAN-2037	Government	3.10%	South Africa
MEXICO (UNITED MEXICAN STATES) (GOVERNMENT) 7.75 PCT 29-MAY-2031	Government	2.70%	Mexico
BRAZIL FEDERATIVE REPUBLIC OF (GOVERNMENT) 10.00 PCT 01-JAN-2029	Government	2.69%	Brazil
SOUTH AFRICA (REPUBLIC OF) 8.75 PCT 31-JAN-2044	Government	2.19%	South Africa
SOUTH AFRICA (REPUBLIC OF) 7.00 PCT 28-FEB-2031	Government	1.88%	South Africa
CZECH REPUBLIC 2.75 PCT 23-JUL-2029	Government	1.74%	Czech Republic
EUROPEAN INVESTMENT BANK 5.75 PCT 24-JAN-2025	Government	1.71%	Luxembourg
INDONESIA (REPUBLIC OF) 9.00 PCT 15-MAR-2029	Government	1.53%	Indonesia
EUROPEAN BK RECON AND DEV 6.00 PCT 24-JUL-2023	Government	1.48%	United Kingdom
MEXICO (UNITED MEXICAN STATES) (GOVERNMENT) 7.50	Government	1.42%	Mexico
SOUTH AFRICA (REPUBLIC OF) 8.00 PCT 31-JAN-2030	Government	1.34%	South Africa
POLAND (REPUBLIC OF) 0.25 PCT 25-OCT-2026	Government	1.25%	Poland
EXPORT-IMPORT BANK OF KOREA 7.25 PCT 07-DEC-2024	Government	1.25%	Republic of Korea

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
*** Any percentage differences with the financial statement portfolios result from a rounding difference.**

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product is 59.6%

The proportion of sustainable investments of the financial product is 9.6%

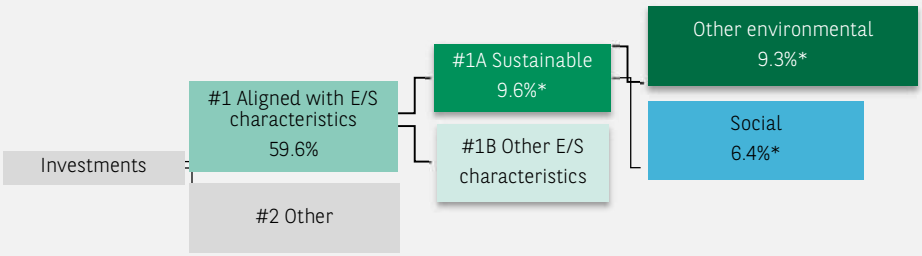
The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes,

notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Government	85.95%
Other	9.60%
Cash	3.12%
Forex contracts	1.52%
Derivatives	-0.19%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, and it did not do so.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management

- *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

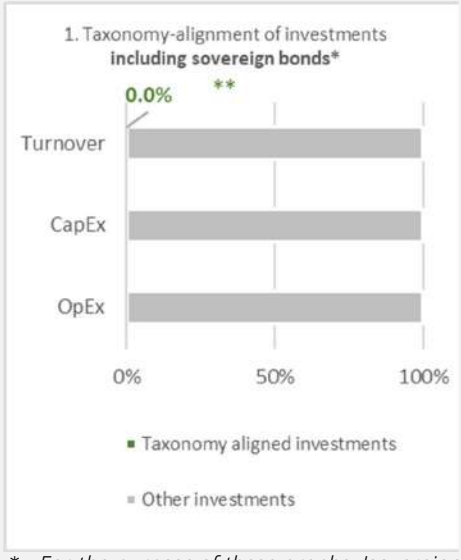
☐ Yes:

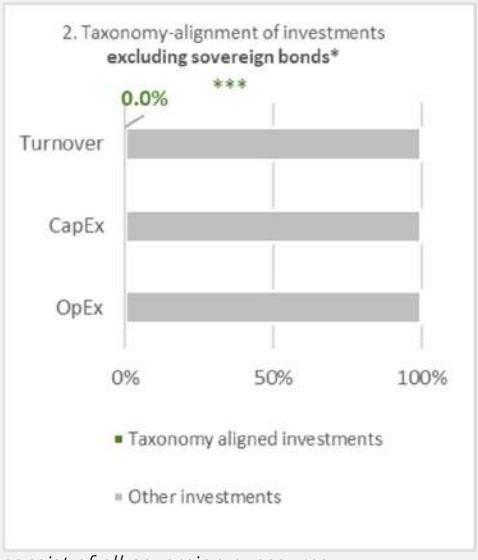
☐ In fossil gas ☐ In nuclear energy

✖ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***Real taxonomy aligned*

****Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

Not applicable for the first periodic report.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **9.3%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Socially sustainable investments represent **6.4%** of the financial product.



What investments were included under ' other', what is their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 75% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must invest at least 20% of its assets in 'sustainable investments' as defined in Article 2 (17) of the must regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS FUNDS TURKEY EQUITY **Legal Entity Identifier: 549300HW4YF2921JR655**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective**: ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 40.4% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It made **sustainable investments with a social objective** : ___%

☐ It promoted E/S characteristics but **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

- *How did the sustainability indicators perform?*

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100%**

- The percentage of the financial product's portfolio covered by ESG analysis based on the ESG internal proprietary methodology: **96.4%**

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **57.8 vs 54.9 (MSCI Turkey IMI 10/40 (EUR) NR**

- *...and compared to previous periods ?*

Not applicable for the first periodic report.

- *What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?*

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration

and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: *https://www.bnpparibas-am.com/sustainability-documents/.*

- *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?*

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:

1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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

How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The

proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues - Ensuring all securities included in the portfolio have supportive ESG research

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives

Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
AKBANK A A	Financials	7.29%	Turkey
TURKIYE SISE VE CAM FABRIKALARI AS A	Industrials	6.72%	Turkey
TURKCELL ILETISIM HIZMETLERI A A	Communication Services	6.64%	Turkey
KOC HOLDING A A	Industrials	6.43%	Turkey
TURK HAVA YOLLARI AO A A	Industrials	6.30%	Turkey
BIM BIRLESIK MAGAZALAR A A	Consumer Staples	6.03%	Turkey
FORD OTOMOTIV SANAYI A A	Consumer Discretionary	4.81%	Turkey
HACI OMER SABANCI HOLDING A A	Financials	4.80%	Turkey
TAV HAVALIMANLARI HOLDING A A	Industrials	4.44%	Turkey
MAVI GIYIM SANAYI VE TICARET B	Consumer Discretionary	4.23%	Turkey
PEGASUS HAVA TASIMACILIGI A	Industrials	4.18%	Turkey
YAPI VE KREDI BANKASI A A	Financials	4.03%	Turkey
TURKIYE IS BANKASI C C	Financials	3.87%	Turkey
ASELSAN ELEKTRONIK SANAYI VE TICARET AS A	Industrials	3.56%	Turkey
TURKIYE PETROL RAFINERILERI A A	Energy	3.48%	Turkey

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product 71.2%

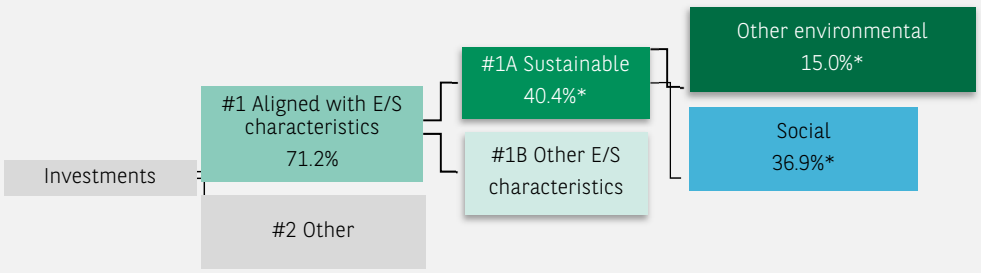
The proportion of sustainable investments of the financial product is 40.4%.

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Industrials	31,63%
Financials	21,63%
Consumer Discretionary	14,37%
Consumer Staples	11,59%
Materials	7,28%
Communication Services	6,64%
Energy	3,48%
Cash	2,87%
Health Care	0,50%
Information Technology	0,01%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, and it did not do so.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

- *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee

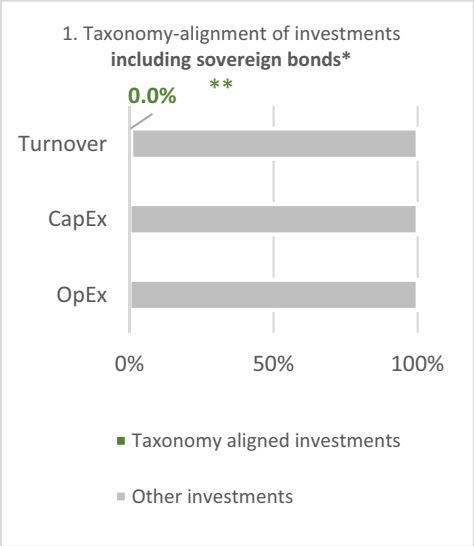
companies.

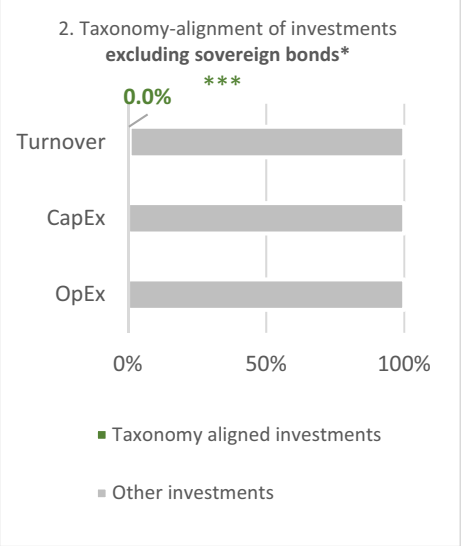
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***Real taxonomy aligned*

****Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **15.0%**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European

Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Socially sustainable investments represent **36.9%** of the financial product.



What investments were included under ' other', what was their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

- The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment. More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name : BNP PARIBAS FUNDS HEALTH CARE INNOVATORS

Legal Entity Identifier: 2138000X5JSJS4FMQT04

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?

●● ☐ Yes ●○ ☒ No

☐ It made a **sustainable investment with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective** : ___%

☒ It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 66.7% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria using an ESG internal proprietary methodology, and by investing in issuers that demonstrate good environmental and social practices, while implementing robust corporate governance practices within their sector of activity.

The ESG performance of an issuer is evaluated against a combination of environmental, social and governance factors which include but not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste

- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity)

- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights

The exclusion criteria are applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy).

Furthermore, the investment manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the RBC Policy: **100%**

- The percentage of the financial product's portfolio covered by the ESG analysis based on the ESG internal proprietary methodology: **99.3%**

- The weighted average ESG score of the financial product's portfolio compared to the weighted average ESG score of its investment universe, as defined in the Prospectus: **60.0 vs 58.9** (66.67% MSCI World [S] Health Care 10/40 (EUR) NR + 33.33% MSCI World Health Care Small (USD) NR)

- The percentage of the financial product's portfolio invested in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation: **66.7%**

...and compared to previous periods ?

Not applicable for the first periodic report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments made by the financial product are to finance companies that contribute to environmental and/or social objectives through their products and services, as well as their sustainable practices.

The internal methodology, as defined in the main part of the Prospectus, integrates several criteria into its definition of sustainable investments that are considered to be core components to qualify a company as sustainable. These criteria are complementary to each other. In practice, a company must meet at least one of the criteria described below in order to be considered as contributing to an environmental or social objective:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in

case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;

b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on the BNPP AM ESG scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:

a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;

b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects are also qualified as sustainable investments provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Companies identified as a sustainable investment should not significantly harm any other environmental or social objectives (the Do No Significant Harm 'DNSH' principle) and should follow good governance practices. BNP Paribas Asset Management (BNPP AM) uses its proprietary methodology to assess all companies against these requirements.

More information on the internal methodology can be found on the website of the investment manager: https://www.bnpparibas-am.com/sustainability-documents/

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

How were the indicators for adverse impacts on sustainability factors taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues

- Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas

8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF



What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
UNITEDHEALTH GROUP INC	Health Care	9.42%	United States
ASTRAZENECA PLC	Health Care	6.89%	United Kingdom
ELI LILLY	Health Care	6.03%	United States
BRISTOL MYERS SQUIBB	Health Care	5.90%	United States
ROCHE HOLDING PAR AG	Health Care	4.77%	Switzerland
BOSTON SCIENTIFIC CORP	Health Care	4.75%	United States
JAZZ PHARMACEUTICALS PLC	Health Care	4.09%	Republic of Ireland
THERMO FISHER SCIENTIFIC INC	Health Care	3.85%	United States
CENTENE CORP	Health Care	3.67%	United States
HORIZON THERAPEUTICS PUBLIC PLC	Health Care	3.36%	Republic of Ireland
SANOFI SA	Health Care	3.36%	France
DAIICHI SANKYO LTD	Health Care	3.21%	Japan
NEUROCRINE BIOSCIENCES INC	Health Care	2.98%	United States
GENMAB	Health Care	2.92%	Denmark
HOLOGIC INC	Health Care	2.73%	United States

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The investments used to meet the environmental or social characteristics promoted by the financial product, taking into account all the binding elements of its investment strategy as mentioned above, represent the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies.

The proportion of such investments used to meet the environmental or social characteristics promoted by the financial product is **91.9%**.

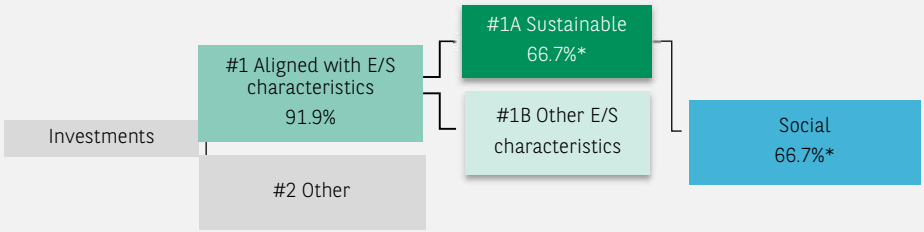
The proportion of sustainable investments of the financial product is **66.7%**

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards :

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment



#1 Aligned with E/S characteristics includes 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 category **#1 Aligned with E/S characteristics** covers:

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

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

*A portfolio security classified as sustainable investment may, taking into account all its activities, both contribute to a social objective and to an environmental objective (aligned or not with the taxonomy of the EU) and the figures shown take this into account. However, the same issuer can only be recognised once for sustainable investments (#1A Sustainable).

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Health Care	98.71%
Cash	1.24%
Forex contracts	0.05%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do so.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

○ *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

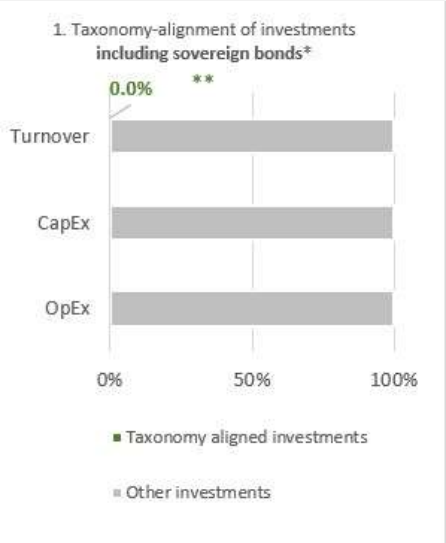
☐ Yes:

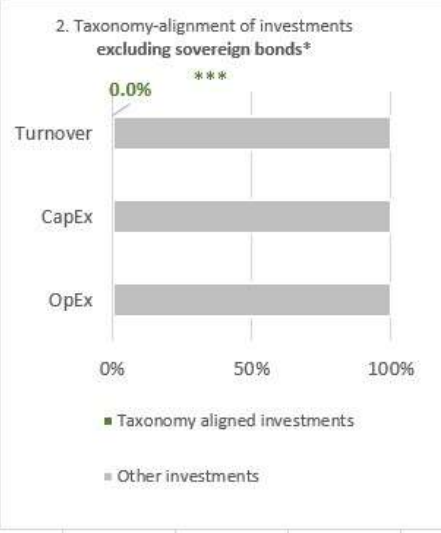
☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***Real taxonomy aligned*

****Real taxonomy aligned. At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Socially sustainable investments represent **66.7%** of the financial product.

What investments were included under ' other', what is their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments may include :

- The proportion of assets that do not attain the minimum standard to meet environmental or social characteristics promoted by the financial product, being the proportion of assets with a positive ESG score combined with a positive E score or a positive S score and the proportion of assets being qualified as Sustainable Investment, both based on the BNPP AM ESG proprietary methodologies. These assets are used for investment purposes, or

- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives
In any case, the investment manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

The financial product must comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons,

asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment

More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - Sustainability documents - BNPP AM Corporate English (https://www.bnpparibas-am.com/sustainability-documents/)

- The financial product must have the weighted average ESG score of its portfolio higher than the weighted average ESG score of its investment universe, as defined in the Prospectus

- The financial product must have at least 90% of its assets (excluding ancillary liquid assets) covered by the ESG analysis based on the ESG internal proprietary methodology

- The financial product must invest at least 30% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as 'sustainable investment' are indicated in the above question 'What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives' and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/



How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How does the reference benchmark differ from a broad market index?*

Not applicable

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

Not applicable

- *How did this financial product perform compared with the reference benchmark?*

Not applicable

- *How did this financial product perform compared with the relevant market index?*

Not applicable

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: BNY Mellon Mobility Innovation Fund **Legal entity identifier:** 213800OBBVFZ8TN6N134

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents sustainable investments]*

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **80%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met? *[list the environmental and/or social characteristics promoted by the financial product. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]*

The environmental and/or social characteristics promoted by the Sub-Fund were met to the following extent during the reference period 20 July 2022 to 31 December 2022 (the "Reference Period").

The environmental and/or social characteristics promoted were:

- Investment in companies that align with the Investment Manager's proprietary carbon red line
- Avoid investment in companies that have material unresolvable issues relating to human rights, labour, the environment, and corruption
- Investment in companies proactively seeking to manage social and environmental factors well
- - Improved environmental outcomes and other societal benefits, potentially provided by companies that are focused on innovation in transportation and related technologies.

All of the above characteristics were met by the Sub-Fund during the reference period.

No reference benchmark was designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

The SFDR Sustainable Investments underlying this Sub- Fund did not contribute to the environmental objectives set out in Article 9 of the EU Taxonomy Regulation.

The SFDR Sustainable Investments underlying this Sub- Fund contributed to the following environmental objectives not aligned with the EU Taxonomy:

- Contribution to the transition to a net zero world
- Electrification

The SFDR Sustainable Investments underlying this Sub- Fund contributed to the following social objectives:

- Improved digital infrastructure and connectivity that can have implications for transportation and its systems
- Improved infrastructure and products contributing to safer driving
- Contribution to social objectives as a result of investee companies' internal business practices and successful management of competing interests of key stakeholder groups.

- ***How did the sustainability indicators perform?***

The following sustainability indicators are used to measure how the environmental or social characteristics promoted by the Sub-Fund are attained:

Sustainability Indicator #1 - No more than 5% of Net Asset Value in companies that:

- Are in heavy emitting sectors as defined by the International Energy Agency (IEA); and

- Have a business incompatible with a scenario in which global temperatures rise more than 2 degrees above pre-industrial levels; and

- Do not have an adequate strategy to address emissions / climate change, or a credible transition plan.

In addition, where third party data is not available to assess these criteria or indicates that specific companies meet these criteria, the Investment Manager retains discretion to determine alignment with this sustainability indicator solely on the basis of its qualitative review process.

Sustainability Indicator #2 - 0% of Net Asset Value in investee companies that have been involved in violations of the UNGC principles.

Sustainability Indicator #3 - A weighted average ESG risk rating of 'medium' or better at the portfolio level. Such rating to be determined using third party data.

Sustainability Indicator #4 - All companies invested in by the Sub-Fund to align to the Investment Manager's proprietary CASE framework. This framework identifies which of the following theme(s) a company aligns to:

- Connectivity, which covers sub-themes including cloud storage, and high-speed data towers

- Autonomous Vehicles, which covers sub-themes including advanced driver assistance systems, and next generation auto parts

- Sharing, which covers sub-themes including ride hailing technology

- Electrification, which covers sub-themes including EV infrastructure, smart grid, and battery technology

The sustainability indicators performed as follows:

Indicator #	How did the indicator perform in the reference period?
Sustainability Indicator #1	0%
Sustainability Indicator #2	0%
Sustainability Indicator #3	Medium
Sustainability Indicator #4	100% of investments (excluding those held for liquidity and hedging purposes)

Excluding instruments held for liquidity and hedging purposes, the data coverage for the sustainability indicators was as follows:

Sustainability indicators #1 and #2 - 96.75% of the Sub-Fund.

Sustainability indicator #3 - 91% of the Sub-Fund.

Sustainability indicator #4 - 100% of the Sub-Fund.

No derivatives (FDI) were used to meet the environmental or social characteristics.

- ***...and compared to previous periods?*** *[include for financial products where at least one previous periodic report was provided]*

No comparison for previous periods is available at the date of this periodic report.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?*** *[include for financial products that made sustainable investments, where not included in the reply to the above question, describe the objectives. Describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed]*

The social objectives of the SFDR Sustainable Investments the Sub-Fund partially made are included above.

The SFDR Sustainable Investments contributed to the above social objectives in the following ways:

- Production of components used in systems that contribute to or enable enhanced vehicle safety
- Creation of products that enable a better and wider connected digital world.

The SFDR Sustainable Investments underlying this Sub- Fund did not contribute to environmental objectives set out in Article 9 of the EU Taxonomy Regulation.

The SFDR Sustainable Investments underlying this Sub-Fund contributed to environmental objectives not aligned with Article 9 of the EU Taxonomy Regulation.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The SFDR Sustainable Investments underlying this Sub-Fund contributed to the following environmental objectives not aligned with the EU Taxonomy:

- Contribution to the transition to a net zero world
- Electrification

The SFDR Sustainable Investments contributed to environmental objectives not aligned with the EU Taxonomy in the following ways:

- Electrificiation, or the enabling of, batteries and transport, contributing to reduced emissions

Contributing to the transition towards a net zero world through efficiency, green technology, and reduced car usage

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective? *[include where the financial product includes sustainable investments]*

The Investment Manager determined that SFDR Sustainable Investments in the Sub-Fund did no significant harm to any environmental or social objectives by assessing each SFDR Sustainable Investment's involvement in areas deemed to be harmful from an environmental or social perspective. Issuers that had involvement in activities deemed to be harmful from an environmental or social perspective were excluded from investment. Involvement in such activities was monitored on an ongoing basis.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Investment Manager reviewed the indicators for adverse impacts on sustainability factors for all SFDR Sustainable Investments where data was available. The Investment Manager reviewed PAIs for investee issuers using data from a designated third party data provider. If a given PAI or PAIs for an issuer appeared to exceed expectations based on the data obtained from the designated third-party data provider, further qualitative review was undertaken with respect to those issuer(s) and that product in order to determine whether such data indicated the evidence of significant harm. Where there were data gaps and the PAI was considered material for a company's sector, the Investment Manager's internal qualitative assessment was used to assess the PAIs.

The Sub-Fund took into account the following PAIs from:

- Table 1 of Annex I of the Commission Delegated Regulation:

1. GHG emissions: Scope 1, 2 and 3
2. Carbon footprint: Scope 1, 2 and 3
3. GHG intensity of investee companies: Scope 1, 2 and 3
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector: NACE A, B, C, D, E, F, G, H and L
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap

13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons).

- Table 2 of Annex I of the Commission Delegated Regulation: 4. Investments in companies without carbon emission reduction initiatives
- Table 3 of Annex I of the Commission Delegated Regulation: 9. Lack of a human rights policy. 17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws.

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

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights (the "Responsible Business Practices") collectively cover a very broad range of areas of responsible business, encompassing everything from labour rights to consumer protection to support for internationally recognised human rights within a company's or issuer's sphere of influence.

SFDR Sustainable Investments were considered aligned with the Responsible Business Practices as each company invested in passed screens provided by third parties which either directly cover one or more of the Responsible Business Practices or are considered appropriate proxies for one or more of the Responsible Business Practices. Each company invested in also passed the Investment Manager's own qualitative review process which takes into account the Responsible Business Practices. In addition, where the companies invested in do not pass the relevant screens provided by third parties, the Investment Manager retains discretion to establish alignment with the Responsible Business Practices solely on the basis of its qualitative review process.



How did this financial product consider principal adverse impacts on sustainability factors? *[include section if the financial product considered principal adverse impacts on sustainability factors]*

The Investment Manager reviewed principal adverse impacts at the product level on a frequent basis during the reference period, notwithstanding certain data coverage and data quality issues as further described below. The Investment Manager reviewed PAIs for investee issuers using data from a designated third party data provider. If a given PAI or PAIs for an issuer or product appeared to exceed expectations based on the data obtained from the designated third-party data provider, further qualitative review was undertaken with respect to those issuer(s) and that product in order to determine whether such data indicated the evidence of significant harm. In cases where, in the view of the Investment Manager, unresolvable significant harm was identified following further qualitative review, further action would be taken up to and including divestment. Over the course of the reference period no unresolvable significant harm was identified for investments in the Sub-Fund. Where there were data gaps and the PAI was considered material for a company's sector, the Investment Manager's internal qualitative assessment was used to assess the PAIs.

PAIs were categorised based on their characteristics (including their materiality and the Investment Manager's ability to estimate them), and such categories were used for the purpose of determining the actions and outcome when assessing the PAIs.

The Investment Manager was dependent upon information and data from third party data providers in order to be able to consider principal adverse impacts on sustainability factors. The availability and quality of such data impacted the extent to which each such PAI could be considered. In particular, the lack or incomplete reporting of metrics by some issuers meant that there was limited data on some adverse indicators. As such for some of the mandatory PAIs, data coverage was low. The Investment Manager's analysis of adverse indicators relied on this third-party information and data, and where such information was not available or was incomplete, the Investment Manager's analysis of adverse indicators was necessarily limited. As the data availability improves over time, it is expected that PAIs can be applied to a greater portion of the Investment Manager's investable universe. This will allow for enhanced insight into the adverse impacts caused by issuers.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 20th July 2022 – 31st December 2022

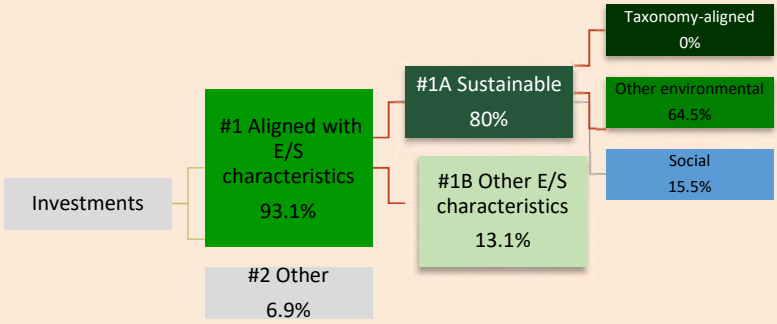
#	Largest Investments	Sector	% Assets	Country
1	HUBBELL INC USD 0.01	Industrials - Capital Goods	3.78	USA
2	ANSYS INC USD 0.01	Information Technology - Software & Services	3.64	USA
3	EATON CORP PLC USD 0.01	Industrials - Capital Goods	3.29	USA
4	CNH INDUSTRIAL N EUR 0.01	Industrials - Capital Goods	3.25	USA
5	SCHNEIDER ELECTRIC EUR 4	Industrials - Capital Goods	2.99	France
6	ALBEMARLE CORP USD 0.01	Materials - Materials	2.95	USA
7	SAMSUNG SDI CO L KRW 5000	Information Technology - Technology Hardware & Equipment	2.85	Korea
8	MP MATERIALS C USD 0.0001	Materials - Materials	2.79	USA
9	APTIV PLC USD 0.01	Consumer Discretionary - Automobiles & Components	2.65	USA
10	INFINEON TECHNOLO EUR NPV	Information Technology - Semiconductors & Semiconductor Equipment	2.52	Germany
11	TRIMBLE INC USD 0.001	Information Technology - Technology Hardware & Equipment	2.49	USA
12	VISTEON CORP USD NPV	Consumer Discretionary - Automobiles & Components	2.48	USA
13	EAST JAPAN RAILWA JPY NPV	Industrials - Transportation	2.44	Japan
14	DENSO CORP JPY NPV	Consumer Discretionary - Automobiles & Components	2.43	Japan
15	LUMENTUM HOLDIN USD 0.001	Information Technology - Technology Hardware & Equipment	2.36	USA

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

[Include only relevant boxes, remove irrelevant ones for the financial product]



Reference Period: 20th July 2022 – 31st December 2022

#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.

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

[include the note below where the financial product made sustainable investments]
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- 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 asset allocation diagram illustrates the asset allocation of this Sub-Fund. 93.1% of Net Asset Value was used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy. The Sub-Fund invested 80% of Net Asset Value in SFDR Sustainable Investments of which 64.5% had an environmental objective not aligned with the EU Taxonomy and 15.5% had a social objective. 0% of the Net Asset Value of the Sub-Fund was invested in sustainable investments with an environmental objective aligned with the EU Taxonomy.

#1 Aligned with E/S characteristics: 93.1% of Net Asset Value

#1A Sustainable: 80% of Net Asset Value

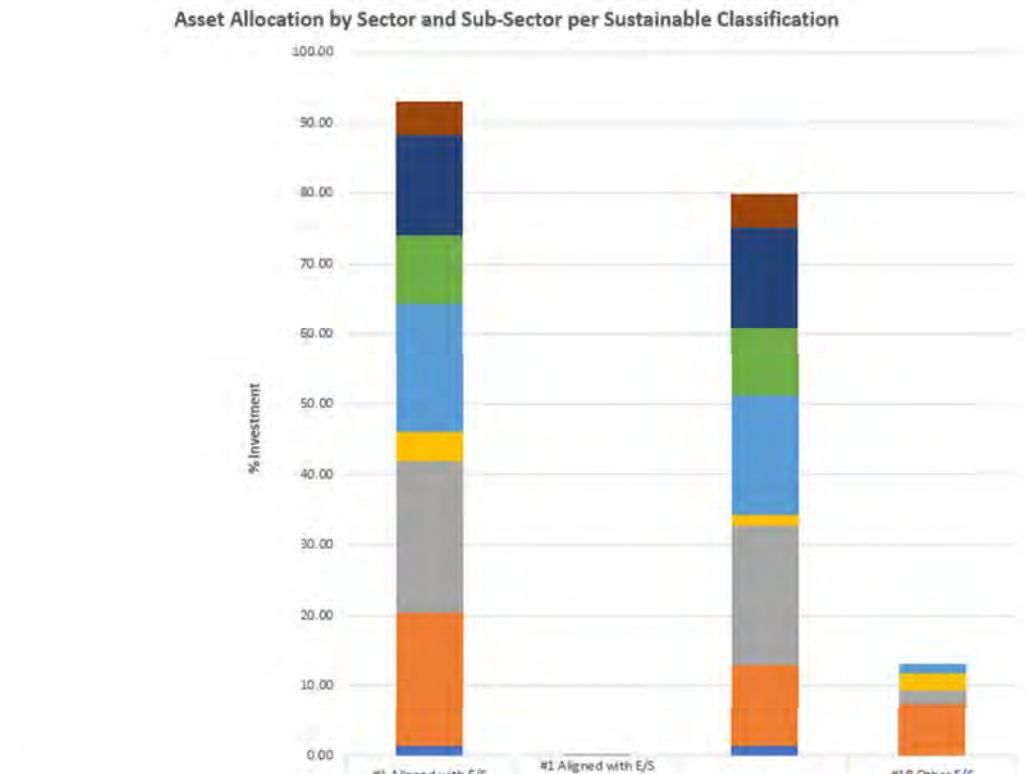
- Taxonomy-aligned: 0% of Net Asset Value
- Environmental: 64.5% of Net Asset Value

- Social: 15.5% of Net Asset Value

#1B Other E/S characteristics: 13.1% of Net Asset Value

#2 Other: 6.9% of Net Asset Value

- ***In which economic sectors were the investments made?***



	#1 Aligned with E/S characteristics	#1 Aligned with E/S characteristics - Fossil Fuels Involved	#1A Sustainable	#1B Other E/S characteristics
Other - Other	0.00	0.00	0.00	0.00
Materials - Materials	4.87	0.00	4.87	0.00
Information Technology - Technology Hardware & Equipment	14.24	0.00	14.24	0.00
Information Technology - Software & Services	9.64	0.00	9.64	0.00
Information Technology - Semiconductors & Semiconductor Equipment	18.24	0.00	16.92	1.31
Industrials - Transportation	4.18	0.00	1.67	2.51
Industrials - Capital Goods	21.51	0.03	19.63	1.89
Consumer Discretionary - Automobiles & Components	19.06	0.00	11.65	7.41
Communication Services - Media & Entertainment	1.38	0.00	1.38	0.00

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy? *[include section for the financial products referred to in Article 6 , first paragraph, of Regulation (EU) 2020/852 and include information in accordance with Article 51 of this Regulation]*

SFDR Sustainable Investments with environmental objectives were not aligned with the EU Taxonomy.

The assessment of whether these investments complied with the EU Criteria for Environmentally Sustainable Economic Activities was not subject to an assurance provided by one or more auditors or a review by one or more third parties.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes: *[specify below, and details in the graphs of the box]*

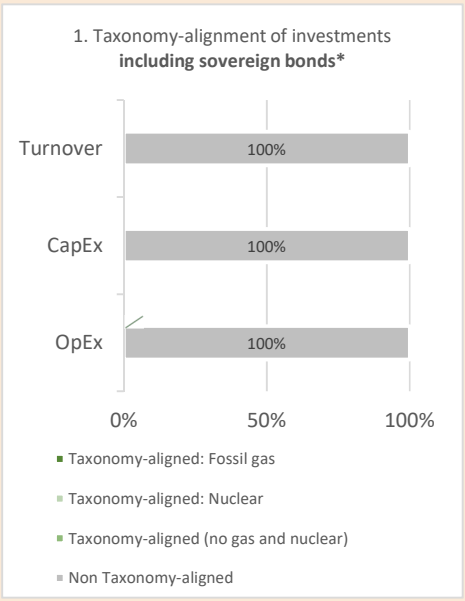
☐ In fossil ☐ gas In nuclear energy

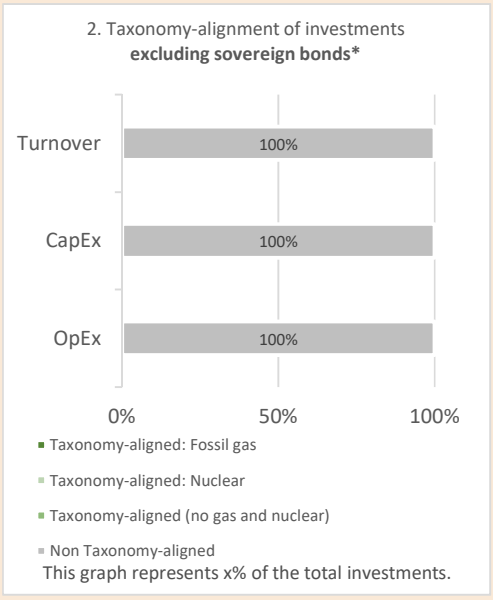
☒ No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.

[*Include information on Taxonomy aligned fossil gas and nuclear energy and the explanatory text in the left hand margin on the previous page only if the financial product invested in fossil gas and/or nuclear energy Taxonomy-aligned economic activities during the reference period]*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What was the share of investments made in transitional and enabling activities? *[include a breakdown of the proportions of investments during the reference period]*

0.00%

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods? *[include where at least one previous periodic report was provided]*

No comparison for previous periods is available at the date of this periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

[include section only for the financial products referred to in Article 6, first subparagraph, of Regulation (EU) 2020/852 where the financial product included sustainable investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities, and explain why the financial product invested in economic activities that were not Taxonomy-aligned]

The Sub-Fund invested 64.5% of NAV in SFDR Sustainable Investments with an environmental objective not aligned with the EU Taxonomy.

The Sub-Fund invested in SFDR Sustainable Investments with an environmental objective in economic activities that are not Taxonomy-aligned because evidence of taxonomy alignment is dependent on the availability of accurate, detailed and complete data on the investee companies to which the Sub-Fund has exposure. At this time, such information is not necessarily readily available from public disclosures by investee companies. While data availability is improving and is expected to improve over time, the data currently available is limited and varies between investee companies.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments? *[include only where the financial product included sustainable investments with a social objective]*

While the Sub-Fund does not commit to investing a minimum percentage of its Net Asset Value in socially sustainable investments, the Sub-Fund invested 15.5% of its Net Asset Value in SFDR Sustainable Investments with a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Sub-Fund invested 6.9% of Net Asset Value in category #2 (other) which comprised of:

1) 3.26% in cash held for liquidity purposes only. These instruments were not subject to environmental or social safeguards as the Investment Manager does not view environmental or social considerations as relevant for these instruments.

2) 3.64% in an agricultural machinery company which as at the end of the reference period was in the process of being reviewed by the Investment Manager to confirm its alignment with the Investment Manager's ESG and sustainability criteria.



What actions have been taken to meet the environmental and/or social characteristics during the reference period? *[list the actions taken within in the period covered by the periodic report to meet the environmental or social characteristics promoted by the financial product, including shareholder engagement as referred to in Article 3g of Directive 2007/36/EC and any other engagement relating to the environmental or social characteristics promoted by the financial product]*

In order to meet the environmental and social characteristics, the Investment Manager took the following actions:

- Invested at least 20% of its Net Asset Value in SFDR Sustainable Investments
- Excluded issuers that produce tobacco products
- Excluded issuers that derive more than 10% of turnover from the sale of tobacco
- Excluded issuers that generate revenues from the production of controversial weapons
- Excluded issuers in breach of the Principles of the UN Global Compact (which includes principles relating to human rights, labour, environment and anti-corruption)
- Invested at least 90% of the Net Asset Value of the Sub-Fund net of the Sub-Fund's exposure to cash and liquid near cash assets, money market funds, and currency related FDI and FDI used for hedging purposes (the "Non-ESG Assets")) in companies that meet the Investment Manager's ESG and sustainability criteria at time of purchase and on an ongoing basis.
-

- Invested at least 80% of the Net Asset Value of the Sub-Fund in Mobility Innovation Companies. Mobility Innovation Companies include automobile manufacturers, component suppliers and automobile technology providers that focus on innovation in transportation relating to use, control and power such as enhanced infrastructure and data processing capabilities, clean energy production, the safety implications of advanced driver-assistance systems, and the companies which make use of or enable such mobility innovations.

Engagement is not a part of the environmental or social investment strategy of the Sub-Fund. However, engagement is an integral part of the Investment Manager's approach to investing as they believe that constructive dialogue with management teams not only affords real insight into how a company operates, it is an opportunity to advocate for positive change.



How did this financial product perform compared to the reference benchmark?

[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]

[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

A reference benchmark has not been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?`***

  Not applicable

Candriam Bonds Emerging Markets

Entity LEI: 549300J2KBILFHRR8Q65

Caratteristiche ambientali e/o sociali

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☐ **SÌ**	☒ **NO**
☐ ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso aspetti ambientali/sociali (A/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del 52% di investimenti sostenibili.
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☐ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☒ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☒ con un obiettivo sociale
☐ ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura sono state implementate le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** determinano in quale misura sono state realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Gli obiettivi ambientali e sociali promossi dal comparto sono stati realizzati come segue:

- evitando l'esposizione ai paesi considerati regimi oppressivi
- evitando l'esposizione a società che presentano rischi strutturali sostanziali e gravi e che violano gravemente i principi normativi, tenendo conto delle pratiche nelle questioni di carattere ambientale e sociali e della conformità alle norme quali il Patto globale delle Nazioni Unite (UNGC) e gli Orientamenti OCSE per le norme aziendali.
- evitando esposizione alle società significativamente esposte ad attività controverse, come l'estrazione, il trasporto o la distribuzione di carbone termico, la produzione o la vendita di tabacco e la produzione o la vendita di armi controverse (mine anti-uomo, bombe a grappolo, armi chimiche, biologiche, al fosforo bianco e all'uranio impoverito).
- integrando le metodologie di ricerca ESG di Candriam nel processo di investimento ed investendo una quota del suo patrimonio in Investimenti sostenibili.

Cosa hanno rilevato gli indicatori di sostenibilità?

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il

cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende i filtri di esclusione basati sulla conformità alle norme internazionali e il coinvolgimento in attività controverse.

Per gli emittenti sovrani, queste valutazioni sono fondate sull'analisi della gestione del paese delle proprie risorse naturali, umane, sociali ed economiche. Inoltre, i filtri di esclusione sono utilizzati per vagliare gli emittenti esterni che non si attengono a standard democratici e di governance.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (20% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Nome dell'indicatore KPI	Valore	Indice di riferimento
Freedom House Index - Country - Higher than bench	60.55	51.49
Environmental Performance Index - Country - Higher than bench	42.65	38.64

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente conseguito e come ha contribuito l'investimento sostenibile a tale obiettivo?

Gli investimenti sostenibili che il comparto intendeva realizzare per una quota del portafoglio erano volti a produrre un impatto positivo a lungo termine in ambito ambientale e sociale.

La proporzione di investimenti sostenibili è stata superiore al minimo definito nel prospetto (20% minimo). Questo ha permesso al comparto di superare gli obiettivi stabiliti inizialmente.

In ogni caso, il comparto non è in grado di pubblicare una percentuale di allineamento alla Tassonomia in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno arrecato un danno significativo all'obiettivo di investimento sostenibile sociale o ambientale?

Candriam garantisce che i suoi investimenti sostenibili non hanno causato un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani.

In base alle sue valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non provocano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione dei principali effetti avversi costituisce una parte essenziale dell'approccio di Candriam all'investimento sostenibile. I principali effetti avversi sono stati presi in considerazione nell'ambito dell'intero processo di analisi e ricerca ESG e tramite

diversi metodi.

Per quanto riguarda l'analisi delle società, questi metodi comprendono:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta i principali effetti negativi sulla sostenibilità da due angolazioni distinte ma correlate:

- e attività commerciali degli emittenti societari e l'impatto, positivo o negativo, sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2. Screening negativo delle società, costituito da un'esclusione normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con le società basate sul dialogo, rivolto ad evitare o mitigare l'impatto avverso. Il quadro dell'analisi ESG, ed i relativi risultati, alimentano la politica di impegno di Candriam, e viceversa.

Per l'analisi degli emittenti sovrani, questi metodi comprendono:

1. Valutazione ESG su base geograficai: la metodologia di ricerca e screening ESG considera e valuta i principali effetti negativi sulla sostenibilità sulla base di quattro tipi di capitale di sviluppo sostenibile:

- capitale naturale, in cui si valuta come un paese conserva e utilizza le proprie risorse naturali in modo sostenibile,
- capitale umano, in cui si misura la produttività economica e creativa valutando i livelli di istruzione e competenza, innovazione, salute, compresi gli aspetti della sostenibilità,
- capitale sociale, in cui si valutano la società civile e le istituzioni statali di ciascun paese, concentrandosi sulla trasparenza e la democrazia, l'efficacia dell'azione del governo, la corruzione, le ineguaglianze e la sicurezza della popolazione,
- capitale economico, in cui si valutano i fondamentali economici di un paese, al fine di determinare la capacità di ciascun governo di finanziare e promuovere a lungo termine politiche di sviluppo sostenibili.

2. Lo screening negativo dei paesi si basa in particolare sui seguenti elementi:

- Elenco dei regimi altamente oppressivi di Candriam - stati con violazioni gravi dei diritti umani.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene e per ogni paese, per garantire che il punteggio di un paese rifletta adeguatamente i problemi a breve, medio e lungo termine, le sfide e le opportunità che contano per lo sviluppo futuro. Ciò dipende da diversi fattori quali rendiconti il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti sostenibili del comparto sono stati conformi agli Orientamenti OCSE per le imprese multinazionali e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani.

Sono soggetti a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Patto globale delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente ripetutamente violato uno qualsiasi di questi principi.

La Tassonomia UE definisce il principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati con la Tassonomia non dovrebbero produrre danni di rilievo agli obiettivi della Tassonomia UE e prevede specifici criteri dell'Unione europea.

Il principio di "non arrecare un danno significativo" si applica esclusivamente a quegli investimenti associati al prodotto finanziario che prendono in considerazione i criteri stabiliti dall'UE in materia di attività economiche ecosostenibili. Gli investimenti sottostanti della porzione rimanente di questo prodotto finanziario non prendono in considerazione i criteri dell'Unione europea in materia di attività economiche sostenibili sul piano ambientale.

Eventuali altri investimenti sostenibili non devono allo stesso modo arrecare danni significativi ad alcun obiettivo ambientale o sociale.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo. Candriam attribuisce la priorità alle sue attività di coinvolgimento in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Ambito 1-2) o elevate emissioni di Ambito 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione
- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d'investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	3.09%*
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
16 - Investee countries subject to social violations	0.00%

*Il fondo ha rispettato la politica di esclusione in conformità al prospetto informativo.

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

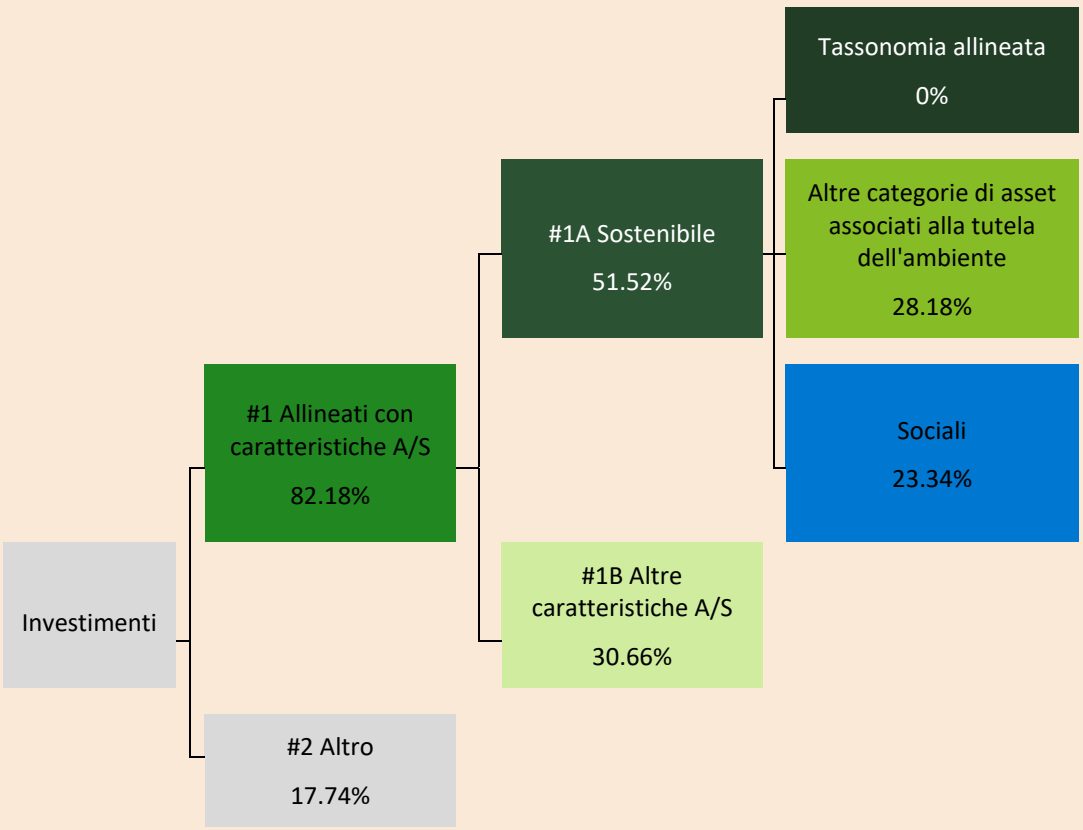
Principali investimenti	Settore	Proporzione	Paese
CANDRIAM BONDS EMERGING MARKETS CORPORATE Z C	Investments funds	4.72%	LU
UNIT STAT TREA BIL ZCP 02-11-23	Bonds of States. Provinces and municipalities	3.11%	US
CANDRIAM BONDS EMERGING MARKETS TOTAL RETURN Z C	Investments funds	2.63%	LU
REPUBLIC OF POL 5.7500 22-32 16/11S	Bonds of States. Provinces and municipalities	2.53%	PL
GACI FIRST INVEST 5.25 22-32 13/10S	Non Classifiable Institutions	2.44%	KY
PR BUENOS AIRES 3.9 21-37 01/09U	Bonds of States. Provinces and municipalities	1.96%	AR
CONGO 6.00 07-29 30/06S	Bonds of States. Provinces and municipalities	1.85%	CG
GALAXY PIPELINE ASSET 2.625 20-30 31/03S	Banks and other financial institutions	1.67%	JE
PETROLEOS VENEZUELA 6.00 14-24 16/05S	Petroleum	1.55%	US
PETROLEOS VENEZUELA 6.00 13-26 15/11S DEF	Petroleum	1.51%	US
ARAB EMIRATES 3.875 20-50 16/04S	Bonds of States. Provinces and municipalities	1.50%	AE
IVORY COAST 4.8750 20-32 30/01A	Bonds of States. Provinces and municipalities	1.50%	CI
ALPEK SAB DE CV 3.25 21-31 25/02S	Chemicals	1.49%	MX
SENEGAL GOVERNEMENT 5.375 21-37 08/06A	Bonds of States. Provinces and municipalities	1.28%	SN
HUNGARY 5.0000 22-27 22/02A	Investments funds	1.25%	HU

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

Qual è stata l'allocazione delle attività?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse da tale prodotto finanziario.

#2 Altro comprende i restanti investimenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- La sottocategoria **#1A Sostenibili** copre gli investimenti sostenibili da un punto di vista di tutela ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S** copre gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Bonds of States. Provinces and municipalities	54.18%
Petroleum	9.79%
Investments funds	8.90%
Banks and other financial institutions	4.82%
Non Classifiable Institutions	4.43%
Utilities	2.66%
Chemicals	1.49%
Foods and non alcoholic drinks	1.14%
Building materials	1.11%
Transportation	1.04%
Aeronautic and astronautic Industry	0.98%
Various capital goods	0.95%
Miscellaneous services	0.69%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Le attività allineate alla Tassonomia sono espresse come quota di:
- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento.
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green delle società oggetto dell'investimento.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

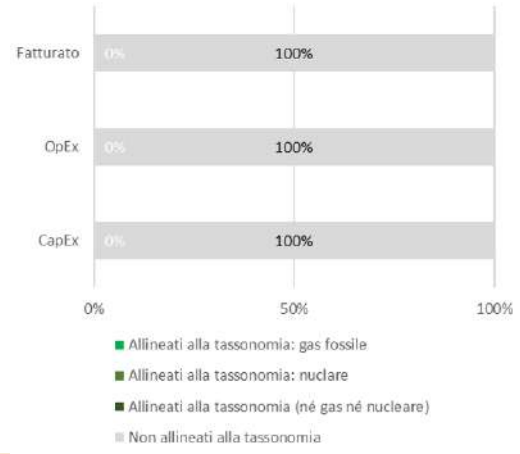
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

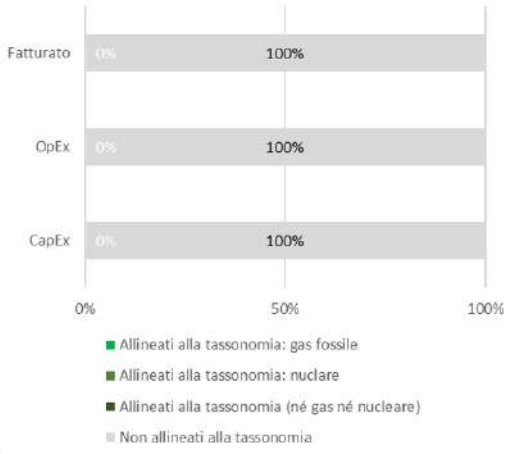
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti ecosostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?



rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri**per le attività economiche ecosostenibili previsti dal Regolamento (EU) 2020/852.

Il Comparto ha registrato una quota del 28,18% di investimenti in attività sostenibili con un obiettivo ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

Il Comparto ha registrato una quota del 23,34% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “altro”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Altri investimenti" sono presenti nel Comparto nella misura del 17.74% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalla decisione di esposizione al mercato del Comparto;
- Investimenti su emittenti con caratteristiche ambientali/sociali al momento dell'investimento e non più completamente allineati ai criteri ambientali/sociali di investimento di Candriam. Tali investimenti sono pianificati per la vendita;
- Altri investimenti (compresi i derivati a titolo singolo)acquistati a fini di diversificazione e che possono non essere soggetti a filtri ESG o per i quali non sono disponibili dati ESG;
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare gli obiettivi ambientali e/o sociali durante il periodo di riferimento?

Per rispettare gli obiettivi ambientali e/o sociali durante il periodo di riferimento, abbiamo escluso dall’universo di investimento i seguenti investimenti, per i quali gli emittenti non prevedevano caratteristiche ambientali e/o sociali: Taiwan Cement Corp., esclusa dal nostro universo ESG a seguito del suo diretto coinvolgimento nel settore del carbone termico come descritto nella Politica di esclusioni di Candriam. Il fondo ha anche escluso la Bielorussia e la Russia (al di fuori dell’indice) sulla base di fattori ESG. Il comparto mira indirettamente a raggiungere un punteggio medio ESG Paese, basato sulla metodologia ESG proprietaria di Candriam, superiore al suo benchmark. Al 30/12/2022, il punteggio ESG Paese del comparto era 31.46, ovvero superiore al punteggio del benchmark.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di riferimento?

I benchmark di riferimento sono indici volti a definire in quale misura il prodotto finanziario realizza gli obiettivi ambientali o sociale che promuove.

Nessun indice è stato designato come benchmark di riferimento al fine di ottenere le caratteristiche sociali o ambientali promosse dal Comparto

Candriam Bonds Euro High Yield

Entity LEI: UIVRSZFQSP1UFG9M8G73

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Caratteristiche ambientali e/o sociali

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☐ **SÌ**	☒ **NO**
☐ ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso aspetti ambientali/sociali (A/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del 56% di investimenti sostenibili.
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☐ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☒ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☒ con un obiettivo sociale
☐ ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura sono state implementate le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** determinano in quale misura sono state realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Gli obiettivi ambientali e sociali promossi dal comparto sono stati realizzati come segue:

- evitando l'esposizione a società che presentano rischi strutturali sostanziali e gravi e che violano gravemente i principi normativi, tenendo conto delle pratiche nelle questioni di carattere ambientale e sociali e della conformità alle norme quali il Patto globale delle Nazioni Unite (UNGC) e gli Orientamenti OCSE per le norme aziendali.
- evitando esposizione alle società significativamente esposte ad attività controverse, come l'estrazione, il trasporto o la distribuzione di carbone termico, la produzione o la vendita di tabacco e la produzione o la vendita di armi controverse (mine anti-uomo, bombe a grappolo, armi chimiche, biologiche, al fosforo bianco e all'uranio impoverito).
- realizzando un'impronta di carbonio inferiore a quella dell'indice di riferimento
- integrando le metodologie di ricerca ESG di Candriam nel processo di investimento ed investendo una quota del suo patrimonio in Investimenti sostenibili.

Cosa hanno rilevato gli indicatori di sostenibilità?

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il

cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende i filtri di esclusione basati sulla conformità alle norme internazionali e il coinvolgimento in attività controverse.

Per gli emittenti sovrani, queste valutazioni sono fondate sull'analisi della gestione del paese delle proprie risorse naturali, umane, sociali ed economiche. Inoltre, i filtri di esclusione sono utilizzati per vagliare gli emittenti esterni che non si attengono a standard democratici e di governance.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (10% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Nome dell'indicatore KPI	Valore	Indice di riferimento
Carbon Footprint - Corporate - Scope 1&2 - Lower than bench	112.36	202.47

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente conseguito e come ha contribuito l'investimento sostenibile a tale obiettivo?

Gli investimenti sostenibili che il comparto intendeva realizzare per una quota del portafoglio erano volti a contribuire alla riduzione delle emissioni di gas a effetto serra tramite le esclusioni e l'uso di indicatori climatici nell'analisi delle società, e a produrre un impatto positivo a lungo termine in ambito ambientale e sociale.

La proporzione di investimenti sostenibili è stata superiore al minimo definito nel prospetto (10% minimo). Questo ha permesso al comparto di superare gli obiettivi stabiliti inizialmente.

In ogni caso, il comparto non è in grado di pubblicare una percentuale di allineamento alla Tassonomia in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno arrecato un danno significativo all'obiettivo di investimento sostenibile sociale o ambientale?

Candriam garantisce che i suoi investimenti sostenibili non hanno causato un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani.

In base alle sue esclusive valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non provocano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi, sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3.Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti sostenibili del comparto sono stati conformi agli Orientamenti OCSE per le imprese multinazionali e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani.

Sono soggetti a un'analisi delle un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Patto globale delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente ripetutamente violato uno qualsiasi di questi principi.

La Tassonomia UE definisce il principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati con la Tassonomia non dovrebbero produrre danni di rilievo agli obiettivi della Tassonomia UE e prevede specifici criteri dell'Unione europea.

Il principio di "non arrecare un danno significativo" si applica esclusivamente a quegli investimenti associati al prodotto finanziario che prendono in considerazione i criteri stabiliti dall'UE in materia di attività economiche ecosostenibili. Gli investimenti sottostanti della porzione rimanente di questo prodotto finanziario non prendono in considerazione i criteri dell'Unione europea in materia di attività economiche sostenibili sul piano ambientale.

Eventuali altri investimenti sostenibili non devono allo stesso modo arrecare danni significativi ad alcun obiettivo ambientale o sociale.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo. Candriam attribuisce la priorità alle sue attività di coinvolgimento in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Ambito 1-2) o elevate emissioni di Ambito 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione

- relativa esposizione dei comparti gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d'investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

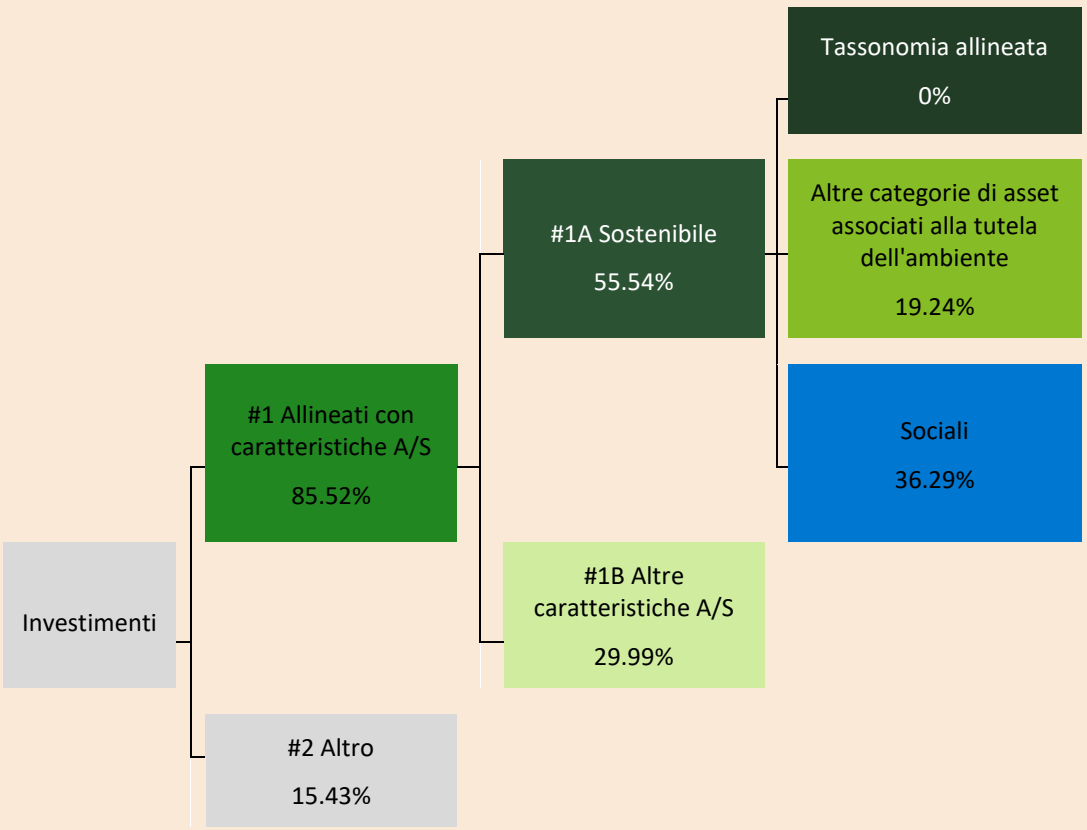
Principali investimenti	Settore	Proporzione	Paese
CANDRIAM MONÉTAIRE SICAV V C	Investments funds	7.98%	FR
VODAFONE GROUP 3.1 18-79 03/01A	Communication	3.82%	GB
TEVA PHARMACEUTICAL I 4.375 21-30 09/05S	Pharmaceuticals	3.54%	IL
OI EUROPEAN GROUP 3.125 16-24 15/11S	Transportation	2.84%	NL
LORCA TELECOM BONDCO 4 20-27 30/09S	Communication	2.66%	LU
RCI BANQUE SA 4.875 22-28 21/09A	Banks and other financial institutions	2.27%	FR
GRIFOLS ESCROW 3.8750 21-28 15/10S	Biotechnology	1.92%	ES
VMED O2 UK FINANCING 3.25 20-31 24/09S	Banks and other financial institutions	1.89%	GB
ORANO SA 2.75 20-28 08/09A	Utilities	1.76%	FR
WP/AP T HLD IV 5.50 21-30 15/01S	Banks and other financial institutions	1.75%	NL
NETFLIX INC 4.625 18-29 15/05S	Internet and internet services	1.72%	US
ABERTIS FINANCE BV 3.248 20-XX XX/XXA	Banks and other financial institutions	1.68%	NL
IPD 3 B.V. 5.5 20-25 25/11S	Banks and other financial institutions	1.56%	NL
ILIAD SA 5.3750 22-27 14/06A	Internet and internet services	1.55%	FR
CELLNEX FINANCE CO SA 1.5 21-28 08/06A	Banks and other financial institutions	1.53%	ES

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

Qual è stata l'allocazione delle attività?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse da tale prodotto finanziario.

#2 Altro comprende i restanti investimenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- La sottocategoria **#1A Sostenibili** copre gli investimenti sostenibili da un punto di vista di tutela ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S** copre gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Banks and other financial institutions	32.84%
Communication	12.48%
Investments funds	8.74%
Transportation	6.94%
Internet and internet services	6.50%
Pharmaceuticals	4.74%
Utilities	4.18%
Packaging industries	2.81%
Biotechnology	2.40%
Healthcare	1.86%
Miscellaneous services	1.52%
Textiles and garments	1.17%
Foods and non alcoholic drinks	1.03%
Various capital goods	0.95%
Road vehicles	0.85%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Le attività allineate alla Tassonomia sono espresse come quota di:
- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento.
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green delle società oggetto dell'investimento.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

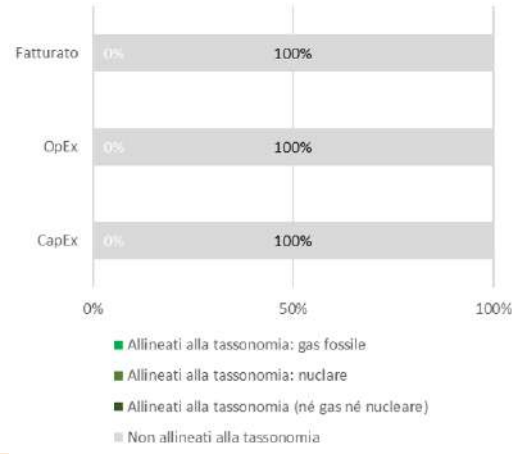
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

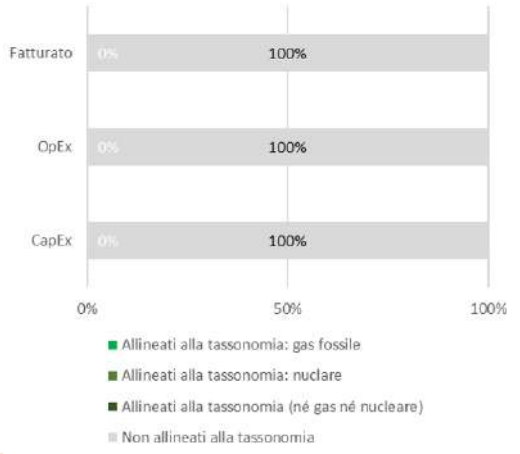
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti ecosostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?

rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri**per le attività economiche ecosostenibili previsti dal Regolamento (EU) 2020/852.

Il Comparto ha registrato una quota del 19,24% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

Il Comparto ha registrato una quota del 36,29% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “altro”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Altri investimenti" sono presenti nel Comparto nella misura del 15.43% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalla decisione di esposizione al mercato del Comparto;
- Investimenti su emittenti con caratteristiche ambientali/sociali al momento dell'investimento e non più completamente allineati ai criteri ambientali/sociali di investimento di Candriam. Tali investimenti sono pianificati per la vendita;
- Altri investimenti (compresi i derivati a titolo singolo)acquistati a fini di diversificazione e che possono non essere soggetti a filtri ESG o per i quali non sono disponibili dati ESG;
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare gli obiettivi ambientali e/o sociali durante il periodo di riferimento?

Per rispettare gli obiettivi ambientali e/o sociali durante il periodo di riferimento, abbiamo escluso dall’universo di investimento i seguenti investimenti, per i quali gli emittenti non prevedevano caratteristiche ambientali e/o sociali: ENN Natural Gas CO LTD., esclusa dal nostro universo ESG a seguito del suo diretto coinvolgimento nel settore del carbone termico come descritto nella Politica di esclusioni di Candriam. Il comparto si propone di realizzare un’impronta di carbonio inferiore al suo benchmark. Al 30/12/2022, l’impronta di carbonio del comparto era di 112.36 a fronte di un benchmark di 202.47. Questi dati si basano sulle emissioni Scope 1 e 2.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di riferimento?

I benchmark di riferimento sono indici volti a definire in quale misura il prodotto finanziario realizza gli obiettivi ambientali o sociale che promuove.

Nessun indice è stato designato come benchmark di riferimento al fine di ottenere le caratteristiche sociali o ambientali promosse dal Comparto

Candriam Equities L Biotechnology

Entity LEI: 549300FEQZX6ZYGNSI05

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Caratteristiche ambientali e/o sociali

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☐ **SÌ**	☒ **NO**
☐ ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso aspetti ambientali/sociali (A/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del 90% di investimenti sostenibili.
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☐ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☒ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☒ con un obiettivo sociale
☐ ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura sono state implementate le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** determinano in quale misura sono state realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Gli obiettivi ambientali e sociali promossi dal comparto sono stati realizzati come segue:

- evitando l'esposizione a società che presentano rischi strutturali sostanziali e gravi e che violano gravemente i principi normativi, tenendo conto delle pratiche nelle questioni di carattere ambientale e sociali e della conformità alle norme quali il Patto globale delle Nazioni Unite (UNGC) e gli Orientamenti OCSE per le norme aziendali.
- evitando esposizione alle società significativamente esposte ad attività controverse, come l'estrazione, il trasporto o la distribuzione di carbone termico, la produzione o la vendita di tabacco e la produzione o la vendita di armi controverse (mine anti-uomo, bombe a grappolo, armi chimiche, biologiche, al fosforo bianco e all'uranio impoverito).
- integrando le metodologie di ricerca ESG di Candriam nel processo di investimento ed investendo una quota del suo patrimonio in Investimenti sostenibili.

Cosa hanno rilevato gli indicatori di sostenibilità?

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende filtri di esclusione basati sulla conformità alle norme internazionali e sul coinvolgimento in attività controverse.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (33% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente conseguito e come ha contribuito l'investimento sostenibile a tale obiettivo?

Gli investimenti sostenibili che il comparto intendeva realizzare per una quota del portafoglio erano volti a produrre un impatto positivo a lungo termine in ambito ambientale e sociale.

La proporzione di investimenti sostenibili è stata superiore al minimo definito nel prospetto (33% minimo). Questo ha permesso al comparto di superare gli obiettivi stabiliti inizialmente.

In ogni caso, il comparto non è in grado di pubblicare una percentuale di allineamento alla Tassonomia in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno arrecato un danno significativo all'obiettivo di investimento sostenibile sociale o ambientale?

Candriam garantisce che i suoi investimenti sostenibili non hanno causato un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari.

In base alle sue valutazioni e punteggi ESG proprietari, la metodologia ESG di Candriam definisce requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non provocano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi,sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti sostenibili del comparto sono stati conformi agli Orientamenti OCSE per le imprese multinazionali e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani.

Sono soggetti a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Patto globale delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente ripetutamente violato uno qualsiasi di questi principi.

La Tassonomia UE definisce il principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati con la Tassonomia non dovrebbero produrre danni di rilievo agli obiettivi della Tassonomia UE e prevede specifici criteri dell'Unione europea.

Il principio di "non arrecare un danno significativo" si applica esclusivamente a quegli investimenti associati al prodotto finanziario che prendono in considerazione i criteri stabiliti dall'UE in materia di attività economiche ecosostenibili. Gli investimenti sottostanti della porzione rimanente di questo prodotto finanziario non prendono in considerazione i criteri dell'Unione europea in materia di attività economiche sostenibili sul piano ambientale.

Eventuali altri investimenti sostenibili non devono allo stesso modo arrecare danni significativi ad alcun obiettivo ambientale o sociale.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno e processo di voto: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo e il processo di voto. Candriam ha attribuito la priorità alle sue attività di coinvolgimento e voto in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Scope 1-2) o elevate emissioni di Scope 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione

- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Processo di voto:

l'approccio di Candriam alla Governance aziendale si fonda sulle norme riconosciute a livello internazionale, in particolare sui principi stabiliti dall'OCSE e sulla International Corporate Governance Network (ICGN).

A tal riguardo, Candriam ha esercitato i sue diritti di voto quando disponibili per le posizioni del portafoglio. I diritti degli Azionisti, la parità di trattamento per gli azionisti, la responsabilità del consiglio di amministrazione, la trasparenza e l'integrità dei bilanci sono pilasti fondamentali della nostra politica di voto. La maggior parte dei nostri voti relativi al management si concentra sulla remunerazione e l'elezione degli amministratori. Infatti, richiediamo alle società di rispettare il principio di retribuzione della prestazione e manifesteremo il nostro disaccordo non appena riscontreremo un livello di remunerazione eccessivo o condizioni di attribuzione non sufficientemente trasparenti o stringenti. In modo analogo, pretendiamo dalle società il rispetto con i nostri requisiti minimi di indipendenza: in caso di consigli di amministrazione che non rispettino questo requisito, ci opponiamo all'elezione, o rielezione, di qualsiasi amministratore non indipendente, ad eccezione del CEO. Naturalmente, per la votazione sono anche presi in considerazione la diversità (PAI13) ed il livello di competenza del consiglio.

Inoltre, Candriam considera sempre la pertinenza, la coerenza e la fattibilità delle misure promosse da qualsiasi decisione in ambito ESG prima di esprimere il voto.

Nel miglior interesse dei suoi clienti, Candriam considera, nelle sue decisioni di voto, l'opinione ESG interna sulle società oggetto dell'investimento insieme agli eventuali risultati dell'impegno intrapreso con tale società.

Nel contesto della politica di voto di Candriam, sono applicate linee guida specifiche per una serie di decisioni degli azionisti e del management relative ad ambiente (per esempio il clima (da PAI1 a PAI6), biodiversità (PAI7)), sociale (per esempio, la diversità, il divario retributivo tra i sessi (PAI12), diritti umani (PAI10, PAI11)) e governance. Più specificamente, Candriam accoglie con favore l'introduzione di risoluzioni "Say-on-Climate" sponsorizzate dal management. Candriam ha costruito un modello dettagliato da applicare a ogni risoluzione Say-on-Climate, che valuta il rigore e l'allineamento della strategia di transizione della società con un percorso verso le emissioni zero nel 2050. Ne consegue, che molte di queste non hanno ottenuto il nostro supporto nel corso di questo periodo.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d'investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

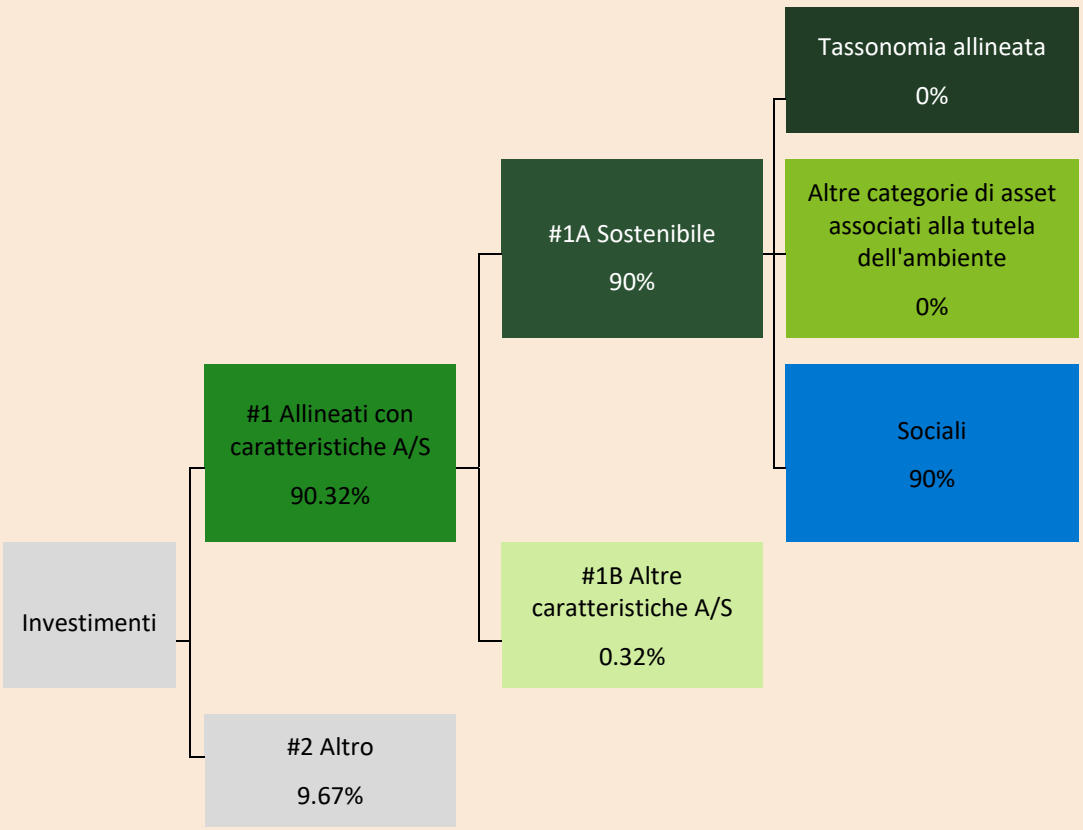
Principali investimenti	Settore	Proporzione	Paese
REGENERON PHARMACEUTICALS INC	Biotechnology	6.87%	US
GILEAD SCIENCES INC	Biotechnology	6.56%	US
AMGEN INC	Pharmaceuticals	5.85%	US
VERTEX PHARMACEUTICALS INC	Biotechnology	5.38%	US
BIOGEN IDEC INC	Pharmaceuticals	4.12%	US
ALNYLAM PHARMACEUTICALS INC	Pharmaceuticals	4.04%	US
MODERNA INC	Biotechnology	3.71%	US
SEAGEN INC	Biotechnology	2.73%	US
HORIZON THERAPEUTICS PLC	Pharmaceuticals	2.25%	IE
ASTRAZENECA PLC	Pharmaceuticals	2.13%	GB
ILLUMINA INC	Pharmaceuticals	1.84%	US
BIOMARIN PHARMACEUTICAL INC	Biotechnology	1.78%	US
GENMAB AS	Biotechnology	1.78%	DK
XENON PHARMA --- REGISTERED SHS	Pharmaceuticals	1.64%	CA
INCYTE CORP	Biotechnology	1.63%	US

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

Qual è stata l'allocazione delle attività?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse da tale prodotto finanziario.

#2 Altro comprende i restanti investimenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- La sottocategoria **#1A Sostenibili** copre gli investimenti sostenibili da un punto di vista di tutela ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S** copre gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Biotechnology	50.90%
Pharmaceuticals	40.66%
Banks and other financial institutions	2.51%
Electronics and semiconductors	1.46%
Machine and apparatus construction	1.34%
Miscellaneous services	0.78%
Healthcare	0.60%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Le attività allineate alla Tassonomia sono espresse come quota di:
- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento.
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green delle società oggetto dell'investimento.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

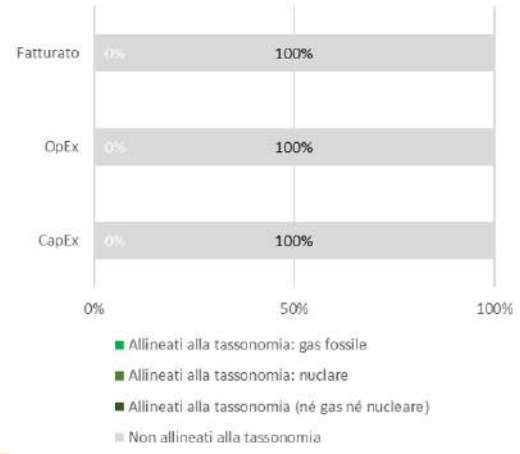
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

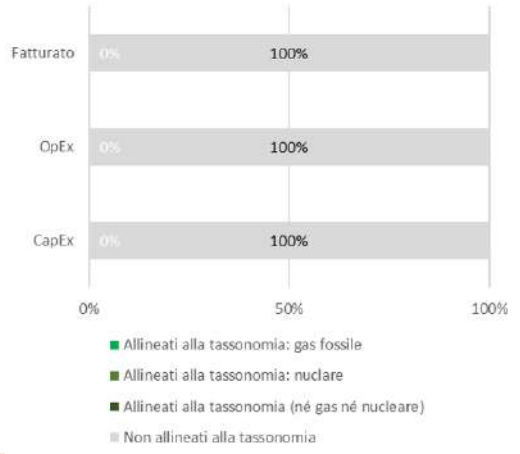
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti ecosostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?



rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri**per le attività economiche ecosostenibili previsti dal Regolamento (EU) 2020/852.

Il Comparto ha registrato una quota del 0% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

Il Comparto ha registrato una quota del 90% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “altro”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Altri investimenti" sono presenti nel Comparto nella misura del 9.67% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalla decisione di esposizione al mercato del Comparto;
- Investimenti su emittenti con caratteristiche ambientali/sociali al momento dell'investimento e non più completamente allineati ai criteri ambientali/sociali di investimento di Candriam. Tali investimenti sono pianificati per la vendita;
- Altri investimenti (compresi i derivati a titolo singolo) acquistati a fini di diversificazione e che possono non essere soggetti a filtri ESG o per i quali non sono disponibili dati ESG;
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti

Quali misure sono state intraprese per soddisfare gli obiettivi ambientali e/o sociali durante il periodo di riferimento?

Allo scopo di rispettare le caratteristiche ambientali e/o sociali durante il periodo di riferimento, il comparto ha iniziato posizioni in emittenti con un profilo ESG positivo, basato sulla valutazione ESG indipendente di Candriam. Esai e Zealand Pharmaceuticals, per i quali ci aspettiamo anche notizie cliniche positive, ne sono due esempi.

Allo scopo di rispettare gli obiettivi ambientali e/o sociali durante il periodo di riferimento, il comparto ha rafforzato le posizioni in emittenti con un profilo ESG positivo, basato sulla valutazione ESG indipendente di Candriam. Relay, che ha pubblicato buoni dati clinici, ne è un esempio, dato che il suo punteggio ESG interno è stato aumentato da 6 a 5 in Agosto (su una scala da 1 a 10, dove 1 è il migliore e 10 il peggiore) .

Per dare un segnale che le sfide relative al cambiamento climatico sono state prese in considerazione, misuriamo l’impronta di carbonio delle società. Al 31/12/2022, l'impronta di carbonio del fondo è stata in media di 2,46 tCO2-eq / milione di euro investito, rispetto a 3,25 tCO2-eq / milione di euro investito del benchmark del fondo.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di riferimento?

I benchmark di riferimento sono indici volti a definire in quale misura il prodotto finanziario realizza gli obiettivi ambientali o sociale che promuove.

Nessun indice è stato designato come benchmark di riferimento al fine di ottenere le caratteristiche sociali o ambientali promosse dal Comparto

Candriam Equities L Global Demography

Entity LEI: 549300U1J0TKZBMYAV14

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Caratteristiche ambientali e/o sociali

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☐ **SÌ**	☒ **NO**
☐ ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso aspetti ambientali/sociali (A/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del 72% di investimenti sostenibili.
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☐ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☒ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☒ con un obiettivo sociale
☐ ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura sono state implementate le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** determinano in quale misura sono state realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Gli obiettivi ambientali e sociali promossi dal comparto sono stati realizzati come segue:

- evitando l'esposizione a società che presentano rischi strutturali sostanziali e gravi e che violano gravemente i principi normativi, tenendo conto delle pratiche nelle questioni di carattere ambientale e sociali e della conformità alle norme quali il Patto globale delle Nazioni Unite (UNGC) e gli Orientamenti OCSE per le norme aziendali.
- evitando esposizione alle società significativamente esposte ad attività controverse, come l'estrazione, il trasporto o la distribuzione di carbone termico, la produzione o la vendita di tabacco e la produzione o la vendita di armi controverse (mine anti-uomo, bombe a grappolo, armi chimiche, biologiche, al fosforo bianco e all'uranio impoverito).
- integrando le metodologie di ricerca ESG di Candriam nel processo di investimento ed investendo una quota del suo patrimonio in Investimenti sostenibili.

Cosa hanno rilevato gli indicatori di sostenibilità?

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende filtri di esclusione basati sulla conformità alle norme internazionali e sul coinvolgimento in attività controverse.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (20% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Nome dell'indicatore KPI	Valore	Indice di riferimento
Carbon Footprint - Corporate - Scope 1&2 - Lower than bench	30.40	51.74

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente conseguito e come ha contribuito l'investimento sostenibile a tale obiettivo?

Gli investimenti sostenibili che il comparto intendeva realizzare per una quota del portafoglio erano volti a contribuire alla riduzione delle emissioni di gas a effetto serra tramite le esclusioni e l'uso di indicatori climatici nell'analisi delle società, e a produrre un impatto positivo a lungo termine in ambito ambientale e sociale.

La proporzione di investimenti sostenibili è stata superiore al minimo definito nel prospetto (20% minimo). Questo ha permesso al comparto di superare gli obiettivi stabiliti inizialmente.

In ogni caso, il comparto non è in grado di pubblicare una percentuale di allineamento alla Tassonomia in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno arrecato un danno significativo all'obiettivo di investimento sostenibile sociale o ambientale?

Candriam garantisce che i suoi investimenti sostenibili non hanno causato un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari.

In base alle sue valutazioni e punteggi ESG proprietari, la metodologia ESG di Candriam definisce requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non provocano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi,sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti sostenibili del comparto sono stati conformi agli Orientamenti OCSE per le imprese multinazionali e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani.

Sono soggetti a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Patto globale delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente ripetutamente violato uno qualsiasi di questi principi.

La Tassonomia UE definisce il principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati con la Tassonomia non dovrebbero produrre danni di rilievo agli obiettivi della Tassonomia UE e prevede specifici criteri dell'Unione europea.

Il principio di "non arrecare un danno significativo" si applica esclusivamente a quegli investimenti associati al prodotto finanziario che prendono in considerazione i criteri stabiliti dall'UE in materia di attività economiche ecosostenibili. Gli investimenti sottostanti della porzione rimanente di questo prodotto finanziario non prendono in considerazione i criteri dell'Unione europea in materia di attività economiche sostenibili sul piano ambientale.

Eventuali altri investimenti sostenibili non devono allo stesso modo arrecare danni significativi ad alcun obiettivo ambientale o sociale.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno e processo di voto: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo e il processo di voto. Candriam ha attribuito la priorità alle sue attività di coinvolgimento e voto in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Scope 1-2) o elevate emissioni di Scope 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione

- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Processo di voto:

l'approccio di Candriam alla Governance aziendale si fonda sulle norme riconosciute a livello internazionale, in particolare sui principi stabiliti dall'OCSE e sulla International Corporate Governance Network (ICGN).

A tal riguardo, Candriam ha esercitato i sue diritti di voto quando disponibili per le posizioni del portafoglio. I diritti degli Azionisti, la parità di trattamento per gli azionisti, la responsabilità del consiglio di amministrazione, la trasparenza e l'integrità dei bilanci sono pilasti fondamentali della nostra politica di voto. La maggior parte dei nostri voti relativi al management si concentra sulla remunerazione e l'elezione degli amministratori. Infatti, richiediamo alle società di rispettare il principio di retribuzione della prestazione e manifesteremo il nostro disaccordo non appena riscontreremo un livello di remunerazione eccessivo o condizioni di attribuzione non sufficientemente trasparenti o stringenti. In modo analogo, pretendiamo dalle società il rispetto con i nostri requisiti minimi di indipendenza: in caso di consigli di amministrazione che non rispettino questo requisito, ci opponiamo all'elezione, o rielezione, di qualsiasi amministratore non indipendente, ad eccezione del CEO.

Naturalmente, per la votazione sono anche presi in considerazione la diversità (PAI13) ed il livello di competenza del consiglio.

Inoltre, Candriam considera sempre la pertinenza, la coerenza e la fattibilità delle misure promosse da qualsiasi decisione in ambito ESG prima di esprimere il voto.

Nel miglior interesse dei suoi clienti, Candriam considera, nelle sue decisioni di voto, l'opinione ESG interna sulle società oggetto dell'investimento insieme agli eventuali risultati dell'impegno intrapreso con tale società.

Nel contesto della politica di voto di Candriam, sono applicate linee guida specifiche per una serie di decisioni degli azionisti e del management relative ad ambiente (per esempio il clima (da PAI1 a PAI6), biodiversità (PAI7)), sociale (per esempio, la diversità, il divario retributivo tra i sessi (PAI12), diritti umani (PAI10, PAI11)) e governance. Più specificamente, Candriam accoglie con favore l'introduzione di risoluzioni "Say-on-Climate" sponsorizzate dal management. Candriam ha costruito un modello dettagliato da applicare a ogni risoluzione Say-on-Climate, che valuta il rigore e l'allineamento della strategia di transizione della società con un percorso verso le emissioni zero nel 2050. Ne consegue, che molte di queste non hanno ottenuto il nostro supporto nel corso di questo periodo.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d'investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

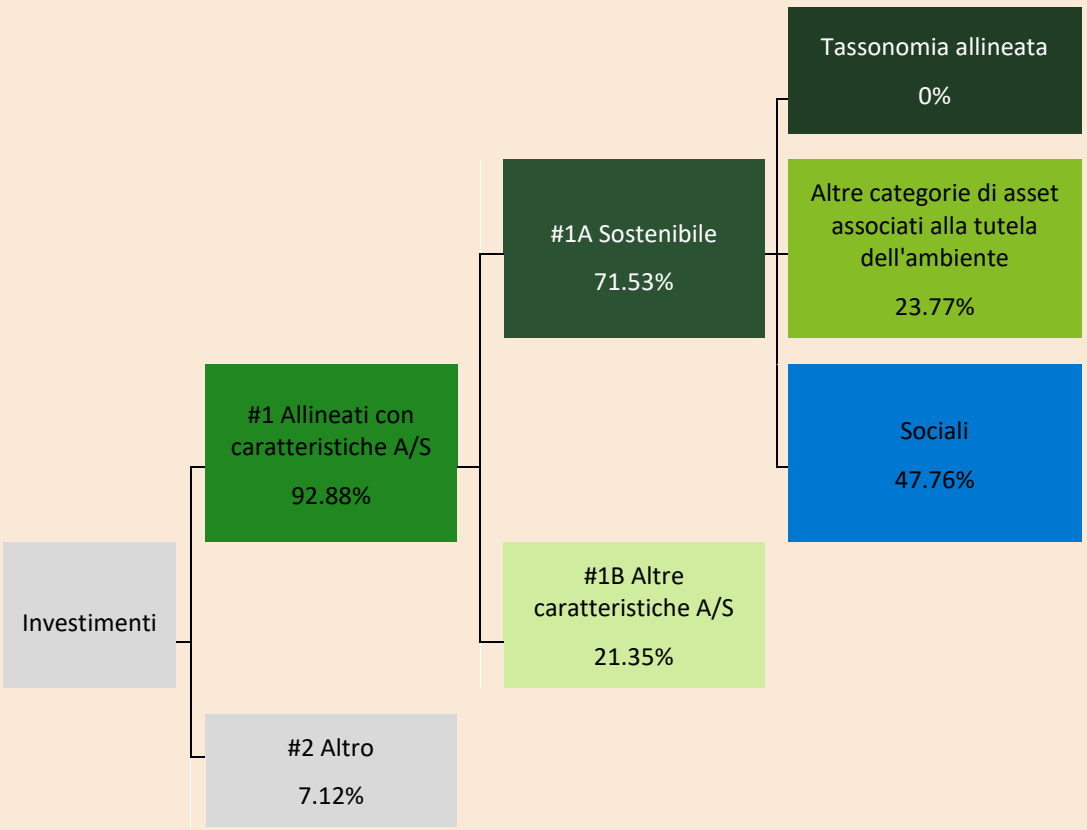
Principali investimenti	Settore	Proporzione	Paese
MICROSOFT CORP	Internet and internet services	6.05%	US
ALPHABET INC -A-	Internet and internet services	3.57%	US
APPLE INC	Office supplies and computing	3.20%	US
PROCTER & GAMBLE CO	Miscellaneous consumer goods	3.13%	US
JOHNSON & JOHNSON	Pharmaceuticals	2.92%	US
VISA INC -A-	Miscellaneous services	2.27%	US
AMAZON.COM INC	Retail trade and department stores	2.15%	US
NESTLE SA REG SHS	Foods and non alcoholic drinks	2.08%	CH
MERCK & CO INC	Pharmaceuticals	2.02%	US
LVMH MOET HENNESSY LOUIS VUITTON SE	Textiles and garments	1.94%	FR
BANK OF AMERICA CORP	Banks and other financial institutions	1.85%	US
DANAHER CORP	Machine and apparatus construction	1.76%	US
UNITEDHEALTH GROUP INC	Healthcare	1.69%	US
MORGAN STANLEY	Banks and other financial institutions	1.63%	US
TOTALENERGIESSE	Petroleum	1.63%	FR

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

Qual è stata l'allocazione delle attività?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse da tale prodotto finanziario.

#2 Altro comprende i restanti investimenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- La sottocategoria **#1A Sostenibili** copre gli investimenti sostenibili da un punto di vista di tutela ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S** copre gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Pharmaceuticals	13.14%
Internet and internet services	10.95%
Banks and other financial institutions	8.68%
Machine and apparatus construction	5.82%
Foods and non alcoholic drinks	5.73%
Electronics and semiconductors	5.01%
Office supplies and computing	4.63%
Graphic art and publishing	3.90%
Petroleum	3.86%
Retail trade and department stores	3.86%
Insurance	3.78%
Miscellaneous consumer goods	3.62%
Miscellaneous services	3.08%
Hotels and restaurants	3.03%
Textiles and garments	2.85%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Le attività allineate alla Tassonomia sono espresse come quota di:
- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento.
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green delle società oggetto dell'investimento.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

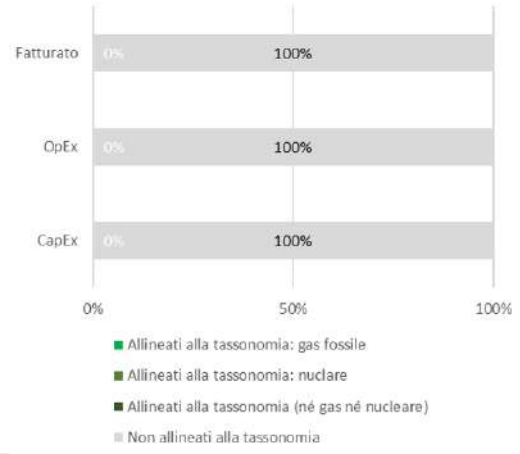
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

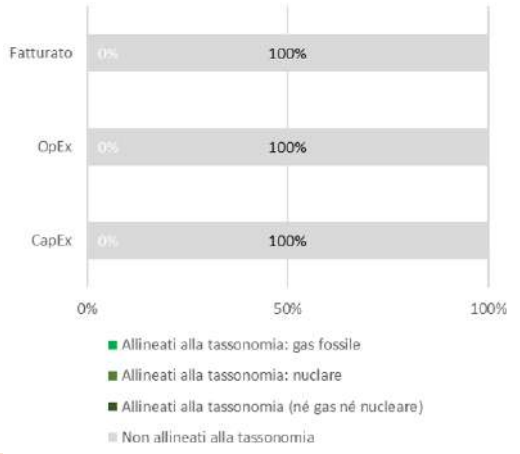
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti ecosostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?



rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri**per le attività economiche ecosostenibili previsti dal Regolamento (EU) 2020/852.

Il Comparto ha registrato una quota del 23,77% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

Il Comparto ha registrato una quota del 47,76% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “altro”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Altri investimenti" sono presenti nel Comparto nella misura del 7.12% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalla decisione di esposizione al mercato del Comparto;
- Investimenti su emittenti con caratteristiche ambientali/sociali al momento dell'investimento e non più completamente allineati ai criteri ambientali/sociali di investimento di Candriam. Tali investimenti sono pianificati per la vendita;
- Altri investimenti (compresi i derivati a titolo singolo) acquistati a fini di diversificazione e che possono non essere soggetti a filtri ESG o per i quali non sono disponibili dati ESG;
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti

Quali misure sono state intraprese per soddisfare gli obiettivi ambientali e/o sociali durante il periodo di riferimento?

Allo scopo di rispettare le caratteristiche ambientali e/o sociali durante il periodo di riferimento, il comparto ha iniziato posizioni in emittenti con un profilo ESG positivo, basato sulla valutazione ESG indipendente di Candriam. Iberdrola, il principale operatore di parchi eolici in Europa ne è un buon esempio.

Inoltre, per rispettare gli obiettivi ambientali e/o sociali durante il periodo di riferimento, abbiamo venduto i seguenti investimenti, per i quali gli emittenti non prevedevano caratteristiche ambientali e/o sociali:

Il punteggio Best-in-Universe di 8 di meta Platforms non è sufficiente perché possa far parte dell’universo di investimenti accettabili del fondo.

Per dare un segnale che le sfide relative al cambiamento climatico sono state prese in considerazione, misuriamo l’impronta di carbonio delle società. Al 31/12/2022, l'impronta di carbonio del fondo era di 30 tCO2-eq / milione di euro investito, rispetto a 52 tCO2-eq / milione di euro investito del benchmark del fondo.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di riferimento?

I benchmark di riferimento sono indici volti a definire in quale misura il prodotto finanziario realizza gli obiettivi ambientali o sociale che promuove.

Nessun indice è stato designato come benchmark di riferimento al fine di ottenere le caratteristiche sociali o ambientali promosse dal Comparto

Candriam Money Market Euro

Entity LEI: 549300HW8QC4WE183D97

Caratteristiche ambientali e/o sociali

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☐ **SÌ**	☒ **NO**
☐ ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso aspetti ambientali/sociali (A/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del 79% di investimenti sostenibili.
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☐ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☒ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☒ con un obiettivo sociale
☐ ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura sono state implementate le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** determinano in quale misura sono state realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Gli obiettivi ambientali e sociali promossi dal comparto sono stati realizzati come segue:

- evitando l'esposizione a società che presentano rischi strutturali sostanziali e gravi e che violano gravemente i principi normativi, tenendo conto delle pratiche nelle questioni di carattere ambientale e sociali e della conformità alle norme quali il Patto globale delle Nazioni Unite (UNGC) e gli Orientamenti OCSE per le norme aziendali.
- evitando esposizione alle società significativamente esposte ad attività controverse, come l'estrazione, il trasporto o la distribuzione di carbone termico, la produzione o la vendita di tabacco e la produzione o la vendita di armi controverse (mine anti-uomo, bombe a grappolo, armi chimiche, biologiche, al fosforo bianco e all'uranio impoverito).
- evitando l'esposizione a paesi considerati regimi oppressivi
- realizzando un'impronta di carbonio inferiore a quella dell'indice di riferimento
- integrando le metodologie di ricerca ESG di Candriam nel processo di investimento ed investendo una quota del suo patrimonio in Investimenti sostenibili.

Cosa hanno rilevato gli indicatori di sostenibilità?

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il

cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende i filtri di esclusione basati sulla conformità alle norme internazionali e il coinvolgimento in attività controverse.

Per gli emittenti sovrani, queste valutazioni sono fondate sull'analisi della gestione del paese delle proprie risorse naturali, umane, sociali ed economiche. Inoltre, i filtri di esclusione sono utilizzati per vagliare gli emittenti esterni che non si attengono a standard democratici e di governance.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (20% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Nome dell'indicatore KPI	Valore	Indice di riferimento
Carbon Footprint - Corporate - Scope 1&2 - Lower than absolute threshold (currently 140)	64.12	

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente conseguito e come ha contribuito l'investimento sostenibile a tale obiettivo?

Gli investimenti sostenibili che il comparto intendeva realizzare per una quota del portafoglio erano volti a contribuire alla riduzione delle emissioni di gas a effetto serra tramite le esclusioni e l'uso di indicatori climatici nell'analisi delle società, e a produrre un impatto positivo a lungo termine in ambito ambientale e sociale.

La proporzione di investimenti sostenibili è stata superiore al minimo definito nel prospetto (20% minimo). Questo ha permesso al comparto di superare gli obiettivi stabiliti inizialmente.

In ogni caso, il comparto non è in grado di pubblicare una percentuale di allineamento alla Tassonomia in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno arrecato un danno significativo all'obiettivo di investimento sostenibile sociale o ambientale?

Candriam garantisce che i suoi investimenti sostenibili non hanno causato un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani.

In base alle sue valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non provocano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione dei principali effetti avversi costituisce una parte essenziale dell'approccio di Candriam all'investimento sostenibile. I principali effetti avversi sono stati presi in considerazione nell'ambito dell'intero processo di analisi e ricerca ESG e tramite

diversi metodi.

Per quanto riguarda l'analisi delle società, questi metodi comprendono:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta i principali effetti negativi sulla sostenibilità da due angolazioni distinte ma correlate:

- e attività commerciali degli emittenti societari e l'impatto, positivo o negativo, sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;

le interazioni della società con i principali stakeholder.

2. Screening negativo delle società, costituito da un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con le società basate sul dialogo, rivolto ad evitare o mitigare l'impatto avverso. Il quadro dell'analisi ESG, ed i relativi risultati, alimentano la politica di impegno di Candriam, e viceversa.

Per l'analisi degli emittenti sovrani, questi metodi comprendono:

1. Valutazione ESG su base geografica: la metodologia di ricerca e screening ESG considera e valuta i principali effetti negativi sulla sostenibilità sulla base di quattro tipi di capitale di sviluppo sostenibile:

- capitale naturale, in cui si valuta come un paese conserva e utilizza le proprie risorse naturali in modo sostenibile,
- capitale umano, in cui si misura la produttività economica e creativa valutando i livelli di istruzione e competenza, innovazione, salute, compresi gli aspetti della sostenibilità,
- capitale sociale, in cui si valutano la società civile e le istituzioni statali di ciascun paese, concentrandosi sulla trasparenza e la democrazia, l'efficacia dell'azione del governo, la corruzione, le ineguaglianze e la sicurezza della popolazione,
- capitale economico, in cui si valutano i fondamentali economici di un paese, al fine di determinare la capacità di ciascun governo di finanziare e promuovere a lungo termine politiche di sviluppo sostenibili.

2. Lo screening negativo dei paesi si basa in particolare sui seguenti elementi:

- Elenco dei regimi altamente oppressivi di Candriam - stati con violazioni gravi dei diritti umani.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene e per ogni paese, per garantire che il punteggio di un paese rifletta adeguatamente i problemi a breve, medio e lungo termine, le sfide e le opportunità che contano per lo sviluppo futuro. Ciò dipende da diversi fattori quali rendiconti il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti sostenibili del comparto sono stati conformi agli Orientamenti OCSE per le imprese multinazionali e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani.

Sono soggetti a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Patto globale delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente ripetutamente violato uno qualsiasi di questi principi.

La Tassonomia UE definisce il principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati con la Tassonomia non dovrebbero produrre danni di rilievo agli obiettivi della Tassonomia UE e prevede specifici criteri dell'Unione europea.

Il principio di "non arrecare un danno significativo" si applica esclusivamente a quegli investimenti associati al prodotto finanziario che prendono in considerazione i criteri stabiliti dall'UE in materia di attività economiche ecosostenibili. Gli investimenti sottostanti della porzione rimanente di questo prodotto finanziario non prendono in considerazione i criteri dell'Unione europea in materia di attività economiche sostenibili sul piano ambientale.

Eventuali altri investimenti sostenibili non devono allo stesso modo arrecare danni significativi ad alcun obiettivo ambientale o sociale.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo. Candriam attribuisce la priorità alle sue attività di coinvolgimento in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Ambito 1-2) o elevate emissioni di Ambito 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione
- relativa esposizione dei comparti gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d'investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%
16 - Investee countries subject to social violations	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

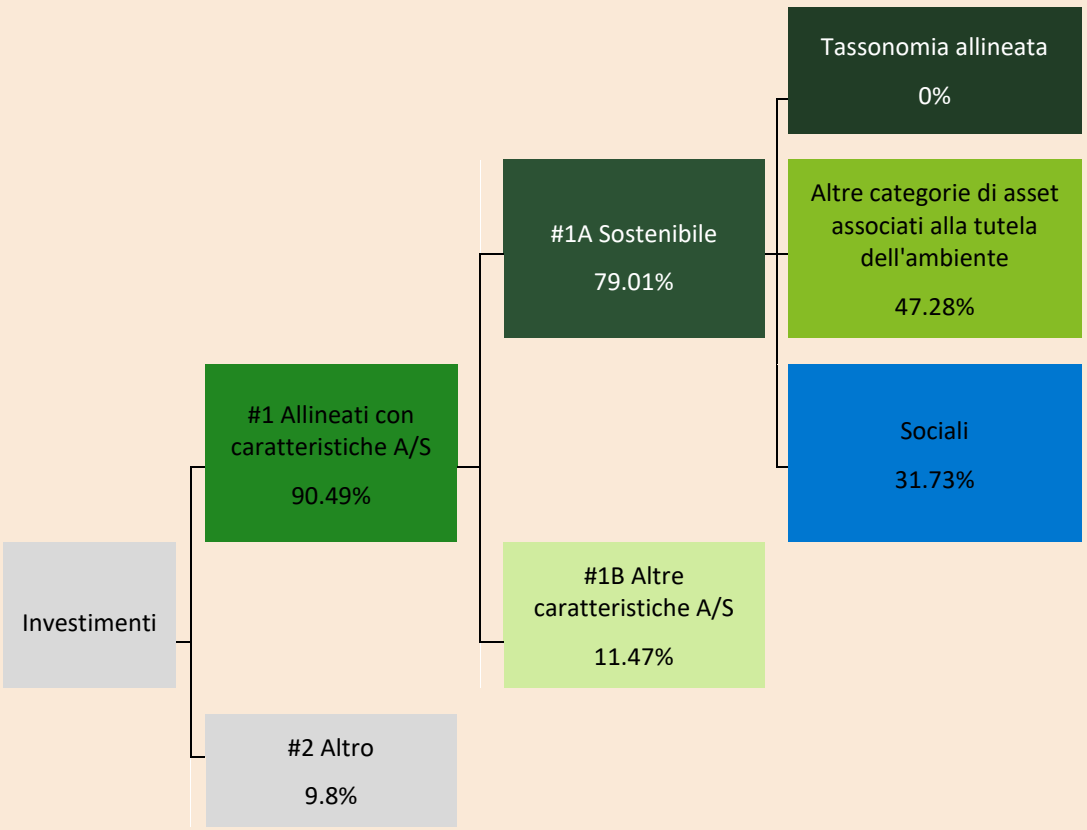
Principali investimenti	Settore	Proporzione	Paese
JAPA TREA DISC BIL ZCP 20-02-23	Bonds of States. Provinces and municipalities	9.64%	JP
CANDRIAM SUSTAINABLE MONEY MARKET EURO Z C	Investments funds	4.90%	LU
CANDRIAM MONÉTAIRE SICAV Z C	Investments funds	4.87%	FR
GSK CONSUMER UK ZCP 090123	Banks and other financial institutions	2.42%	GB
COFINIMMO SA ZCP 050123	Investments funds	2.02%	BE
VEOLIA ENVIRONN ZCP 070223	Utilities	2.01%	FR
IBERDROLA INT. BV ZCP 180123	Electrical engineering	1.79%	NL
CAIXABANK SA 1.125 17-23 12/01A	Banks and other financial institutions	1.73%	ES
VOLKSWAGEN FIN. SVC ZCP 140223	Banks and other financial institutions	1.61%	DE
SPAI LETR DEL TESO ZCP 13-01-23	Bonds of States. Provinces and municipalities	1.56%	ES
FIDELITY NATL INFORM ZCP 100123	Internet and internet services	1.47%	US
FIDELITY NATL INFORM ZCP 060123	Internet and internet services	1.44%	US
SCANIA CV AB ZCP 090123	Road vehicles	1.38%	SE
CM ARKEA 1.00 15-23 26/01A	Banks and other financial institutions	1.31%	FR
AT&T INC FL.R 18-23 05/09Q	Communication	1.30%	US

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

Qual è stata l'allocazione delle attività?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse da tale prodotto finanziario.

#2 Altro comprende i restanti investimenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- La sottocategoria **#1A Sostenibili** copre gli investimenti sostenibili da un punto di vista di tutela ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S** copre gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Banks and other financial institutions	41.28%
Investments funds	13.64%
Bonds of States. Provinces and municipalities	12.70%
Internet and internet services	4.90%
Machine and apparatus construction	3.57%
Electrical engineering	2.94%
Utilities	2.93%
Real estate	2.42%
Communication	1.87%
Transportation	1.50%
Road vehicles	1.47%
Non Classifiable Institutions	0.98%
Chemicals	0.69%
Office supplies and computing	0.62%
Building materials	0.45%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Le attività allineate alla Tassonomia sono espresse come quota di:
- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento.
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green delle società oggetto dell'investimento.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

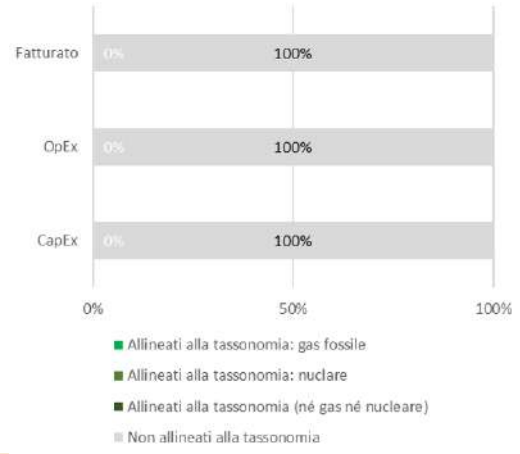
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

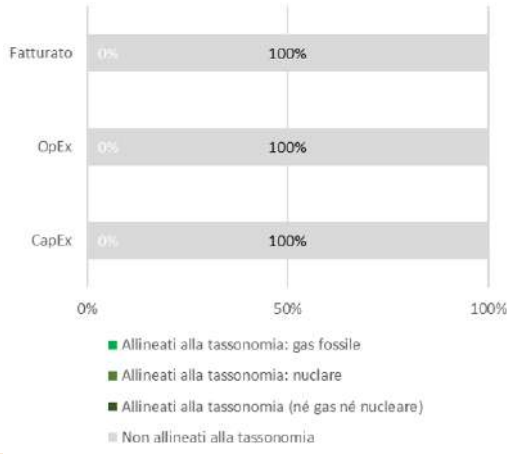
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti ecosostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?



rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri**per le attività economiche ecosostenibili previsti dal Regolamento (EU) 2020/852.

Il Comparto ha registrato una quota del 47,28% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

Il Comparto ha registrato una quota del 31,73% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “altro”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Altri investimenti" sono presenti nel Comparto nella misura del 9.8% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalla decisione di esposizione al mercato del Comparto;
- Investimenti su emittenti con caratteristiche ambientali/sociali al momento dell'investimento e non più completamente allineati ai criteri ambientali/sociali di investimento di Candriam. Tali investimenti sono pianificati per la vendita;
- Altri investimenti (compresi i derivati a titolo singolo)acquistati a fini di diversificazione e che possono non essere soggetti a filtri ESG o per i quali non sono disponibili dati ESG;
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare gli obiettivi ambientali e/o sociali durante il periodo di riferimento?

Allo scopo di rispettare le caratteristiche ambientali e/o sociali durante il periodo di riferimento, il comparto ha iniziato / rafforzato posizioni in emittenti con un profilo ESG positivo, basato sulla valutazione ESG indipendente di Candriam.

Nonostante la nostra sottoponderazione nel settore dei servizi pubblici, abbiamo mantenuto delle posizioni nei seguenti marchi, grazie all’attenzione dimostrata nella transizione energetica verso un ambiente a basso tenore di carbonio: Iberdrola e Enel. Nell’ambito del settore automotive, abbiamo mantenuto l’esposizione ai seguenti marchi: Volkswagen e Mercedes, entrambe orientate alla transizione dai veicoli a combustione a quelli elettrici (EV), hanno lanciato l'anno scorso diversi modelli concorrenziali rispetto a Tesla (attuale leader mondiale nel settore dei veicoli elettrici). Abbiamo anche mantenuto una posizione in Toyota la quale, nonostante i ritardi nel settore EV, è tuttora molto ben posizionata nel settore delle auto elettriche, grazie alle quali hanno un tasso di emissioni per auto in circolazione inferiore a quello degli altri costruttori. Il fondo ha venduto i seguenti investimenti per i quali gli emittenti non avevano definito obiettivi ambientali e/o sociali: Berkshire Hathaway: la holding è stata esclusa a seguito di un rischio legato alla sua potenziale esposizione agli armamenti.

Il Comparto ha realizzato un’impronta di carbonio di 64.12 alla fine di dicembre 2022, migliore dell’obiettivo di un massimo di 140 tonnellate di CO_2 equivalente per milione di euro investiti.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di riferimento?

I benchmark di riferimento sono indici volti a definire in quale misura il prodotto finanziario realizza gli obiettivi ambientali o sociale che promuove.

Nessun indice è stato designato come benchmark di riferimento al fine di ottenere le caratteristiche sociali o ambientali promosse dal Comparto

ALLEGATO V

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 9, paragrafi da 1 a 4 bis, del regolamento (UE) 2019/2088 e all'articolo 5, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: CARMIGNAC INVESTISSEMENT
Identificativo della persona giuridica: 96950039YSR2SSH77885

Obiettivo di investimento sostenibile

Questo prodotto finanziario ha un obiettivo di investimento sostenibile?

☒ **Sì**

- ☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 5%
  - ☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
  - ☒ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
- ☒ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** 15%

☐ No

- ☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) % di investimenti sostenibili
  - ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
  - ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
  - ☐ con un obiettivo sociale
- ☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.

Nel 2022 la percentuale minima di investimenti sostenibili era pari al 50% e resterà pari al 50% del patrimonio netto nel 2023. I livelli minimi di investimenti sostenibili con obiettivi ambientali e sociali (come precedentemente descritti) sono rispettivamente pari al 5% e al 15% del patrimonio netto del fondo; tale limite sarà applicato a partire dal 1° gennaio 2023. L'obiettivo di emissioni di carbonio rimarrà il seguente: 30% in meno del benchmark.

In che misura è stato conseguito l'obiettivo di investimento sostenibile di questo prodotto finanziario?

L'obiettivo di investimento sostenibile del fondo consiste nell'investire almeno il 50% del patrimonio netto in società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile ("SDG") delle Nazioni Unite, su un totale di 17, selezionati per questo fondo: (1) sconfiggere la povertà; (2) sconfiggere la fame; (3) salute e benessere; (4) istruzione di qualità; (6) acqua pulita e servizi igienico-sanitari; (7) energia pulita e accessibile; (9) imprese, innovazione e infrastrutture; (11) città e comunità sostenibili; (12) consumo e produzione responsabili. Per maggiori informazioni sugli Obiettivi di sviluppo sostenibile delle Nazioni Unite, si consiglia di visitare il sito: https://sdgs.un.org/goals.

Un'impresa è considerata "allineata" quando genera il 50% o più dei suoi ricavi da attività che si ritiene contribuiscano a uno dei nove SDG summenzionati. Tali soglie del 50% rappresentano un'intenzionalità significativa dell'impresa rispetto all'attività contributrice e ai suoi progetti di crescita.

Al fine di determinare quali imprese sono allineate, la società di gestione ha identificato un solido sistema di classificazione delle imprese e ha mappato 1700 attività commercial diverse. Inoltre, la società di gestione utilizza l'"SDG Compass", una risorsa creata dal GRI ("Global Reporting Initiative"), dal Global Compact delle Nazioni Unite e dal World Business Council for Sustainable Development, al fine di identificare le attività commerciali che contribuiscono a ciascun SDG. Inoltre, Carmignac ha creato dei "temi investibili" in funzione delle attività commerciali. Sulla base di tali temi, la società di gestione vaglia ciascuna attività commerciale nel sistema di classificazione, allineando le attività commerciali adatte ai "temi investibili" di Carmignac e utilizzando gli obiettivi SDG per verificare la loro adeguatezza. Una volta raggiunta la soglia del 50% di ricavi o di investimenti per un dato emittente, la ponderazione totale della partecipazione è considerata allineata.

Per quanto concerne il regolamento (UE) 2020/852 sulla Tassonomia, il fondo contribuisce, attraverso i suoi investimenti, ai seguenti obiettivi ambientali: mitigazione dei cambiamenti climatici e adattamento ai cambiamenti climatici. Il fondo non è finalizzato a una riduzione della sua impronta di carbonio allineata con l'Accordo di Parigi, bensì mira a raggiungere un'intensità di carbonio (tonnellate di CO2 per milione di USD di ricavi convertiti in euro; aggregato a livello di portafoglio (Scope 1 e 2 del GHG Protocol)) inferiore del 30% rispetto a quella del rispettivo indice di riferimento, l'MSCI AC World NR (USD) (con dividendi netti reinvestiti), convertito in EUR.

Nel corso dell'anno non sono state riscontrate carenze nel raggiungimento dell'obiettivo sostenibile.

Qual è stata la prestazione degli indicatori di sostenibilità?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Il fondo utilizza gli indicatori di sostenibilità seguenti nel suo approccio a quattro pilastri per misurare il rispetto di ciascuna delle caratteristiche ambientali o sociali che promuove:

1) **Tasso di copertura dell'analisi ESG:** L'integrazione ESG, attraverso il rating ESG effettuato tramite la piattaforma ESG proprietaria "START" (*System for Tracking and Analysis of a Responsible Trajectory*) di Carmignac, si applica ad almeno il 90% dei titoli. Al 30 dicembre 2022 il tasso di copertura dell'analisi ESG includeva il 100% dei titoli (esclusi liquidità e prodotti derivati).

2) **Riduzione dell'universo d'investimento** (minimo 20% della componente azionaria del portafoglio): uno screening negativo e delle esclusioni di attività e di prassi non sostenibili, rispecchiate dai bassi punteggi ESG di START, MSCI e ISS ("Institutional Shareholder Services") ESG, che sono effettuati sulla base degli indicatori seguenti: (a) prassi che arrecano danno alla società e all'ambiente, (b) controversie riguardanti le linee guida OCSE e i principi del Global Compact delle Nazioni Unite, (c) armi controverse, (d) produzione di carbone termico, (e) produttori di energia che non hanno previsto alcun obiettivo d'allineamento all'Accordo di Parigi, (f) imprese coinvolte nella produzione di tabacco, (g) imprese coinvolte nell'intrattenimento per adulti. Al 30 dicembre 2022, la componente azionaria è stata ridotta del 21,17% rispetto all'universo di investimento originale.

3) **Allineamento con gli Obiettivi di sviluppo sostenibile:** almeno il 50% del patrimonio netto del fondo (ossia ad esclusione della liquidità e dei prodotti derivati utilizzati con finalità di copertura) è stato investito in azioni di società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile delle Nazioni Unite su 17. Per maggiori informazioni sugli

Obiettivi di sviluppo sostenibile delle Nazioni Unite, si consiglia di visitare il sito: https://sdgs.un.org/goals. Al 30 dicembre 2022, il 66,8% del patrimonio netto del fondo era investito in azioni di società allineate positivamente a uno dei 9 SDG descritti sopra.

4) **Responsabilità degli azionisti:** gli impegni ambientali e sociali delle imprese che determinano il miglioramento delle politiche di sviluppo sostenibile delle imprese sono misurati dagli indicatori seguenti: (a) livello di impegno attivo e politiche di voto, (b) numero di attività di impegno, (c) percentuale di voto, e (d) partecipazione alle assemblee degli azionisti (o di detentori di obbligazioni). Nel 2022 Carmignac ha partecipato a iniziative di engagement con 81 imprese, e 19 società per quanto riguarda il fondo Carmignac Investissement. Abbiamo esercitato i nostri diritti di azionisti in quasi il 100% delle assemblee in cui detenevamo azioni (98%).

Il fondo mira inoltre a conseguire emissioni di carbonio inferiori del 30% rispetto al suo indice di riferimento, l'MSCI AC World NR (USD) (con dividendi netti reinvestiti), convertito in EUR, misurate dall'intensità di carbonio (tonnellate di CO2 per milione di USD di ricavi convertiti in euro, aggregati a livello di portafoglio (Scope 1 e 2 del GHG Protocol)). Al 30 dicembre 2022 le emissioni di carbonio del fondo Carmignac Investissement erano inferiori del 72,3% rispetto a quelle dell'indice di riferimento.

Inoltre, per quanto riguarda il monitoraggio dei principali effetti negativi (*principal adverse impacts*– "PAI"), e conformemente all'allegato 1 del regolamento delegato (UE) 2022/1288, il fondo segue 14 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Di seguito si riporta l'andamento degli indicatori dei principali effetti negativi per il 2022, sulla base della media dei dati di fine trimestre, per le componenti azionaria e obbligazioni societarie del portafoglio:

Indicatori PAI	Sulla base dei dati forniti dalla società	Fondo	Copertura
Scope 1 del protocollo GHG	Emissioni di GHG Scope 1	**45522,5**	99%
Scope 2 del protocollo GHG	Emissioni di GHG Scope 2	**21020**	99%
Scope 3 del protocollo GHG	A decorrere dal 1° gennaio 2023, emissioni di GHG Scope 3	**1306192,5**	99%
Totale GHG	Emissioni totali di GHG	**1372737,5**	99%
Impronta di carbonio	Impronta di carbonio	**457,0275**	99%
Livello di intensità di GHG	Intensità di GHG delle società	**754,59**	99%
Esposizione a imprese attive nel settore dei combustibili fossili	Quota degli investimenti in imprese attive nel settore dei combustibili fossili	**7%**	99%
Quota di consumo di energia non rinnovabile	Quota di consumo di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile	**70%**	99%

	rispetto a fonti di energia rinnovabile, espressa in percentuale		
Quota di produzione di energia non rinnovabile	Quota di produzione di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile, espressa in percentuale	**22%**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - Totale	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - Totale	**0,15**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore A	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore A (Agricoltura, silvicoltura e pesca)	**N/A**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore B	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore B (Attività estrattiva)	**0,8125**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore C	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore C (Attività manifatturiere)	**0,1575**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore D	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore D (Fornitura di energia elettrica, gas, vapore e aria condizionata)	**1,32**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore E	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore E (Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento)	**N/A**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore F	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Costruzioni)	**N/A**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore G	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore G (Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli)	**0,0275**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore H	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Trasporto e magazzinaggio)	**4,52**	99%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore L	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore L (Attività immobiliari)	**0,01**	99%
Biodiversità	Quota di investimenti effettuati in imprese i cui siti/operazioni sono situati in aree sensibili dal punto di vista della biodiversità e le cui attività hanno un impatto negativo su tali aree	**0%**	99%
Emissioni legate all'acqua	Tonnellate di emissioni in acqua generate dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**69,195**	99%
Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**54,665**	99%
Uso e riciclo dell'acqua	Quantità media di acqua consumata e recuperata dalle imprese (in metri cubi) per milione di EUR di entrate	**565,7475**	99%
Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**0%**	99%

Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese che non dispongono di politiche per controllare il rispetto dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali, o di meccanismi di trattamento dei reclami/delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**45%**	99%
Divario retributivo di genere non corretto	Divario retributivo di genere medio non corretto nelle imprese	**85%**	99%
Diversità di genere nel consiglio di amministrazione	Rapporto medio tra donne e uomini nei consigli di amministrazione delle società	**32%**	99%
Esposizione ad armi controverse	Quota di investimenti nelle imprese coinvolte nella fabbricazione o nella vendita di armi controverse	**0%**	99%
Eccesso di divario retributivo a favore degli amministratori delegati	Rapporto medio, all'interno delle imprese beneficiarie degli investimenti, tra la retribuzione totale annua della persona meglio remunerata e la retribuzione totale annua mediana di tutti i dipendenti (esclusa la persona meglio remunerata).	**101,4**	99%

...e rispetto ai periodi precedenti?

Non pertinente.

In che modo gli investimenti sostenibili non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile?

Tutti gli investimenti del fondo (non solo gli investimenti sostenibili) sono esaminati per accertare la loro conformità alle norme globali in materia di protezione dell'ambiente, diritti umani, standard lavorativi e lotta alla corruzione, tramite uno screening delle controversie. In particolare, gli investimenti sono sottoposti a uno screening basato su salvaguardie minime, volto ad assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani.

Inoltre, il fondo assicura che tali attività non pregiudichino in misura significativa l'obiettivo ambientale e sociale.

L'attività di impegno in materia di comportamenti controversi mira a eliminare la violazione da parte di un'impresa dei Principi guida del Global Compact delle Nazioni Unite e/o dell'OCSE destinati alle imprese multinazionali e a predisporre dei sistemi di gestione adatti per impedire che una tale violazione si ripeta. Se l'attività di impegno non ha esito positivo, l'impresa è considerata esclusa. I casi di impegno rafforzato sono selezionati con cadenza trimestrale in base alla necessità di monitoraggio. L'enfasi posta sull'impegno può variare a seconda delle diverse esposizioni d'investimento.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Gli indicatori degli effetti negativi sono monitorati con cadenza trimestrale. Gli effetti negativi sono identificati secondo il loro grado di gravità. Previa discussione con il team di investimento interessato, viene stabilito un piano d'azione che comprende un calendario d'esecuzione.
Il dialogo con l'impresa rappresenta generalmente il piano d'azione privilegiato per influenzare la mitigazione degli effetti negativi da parte dell'impresa interessata, nel qual caso l'impegno dell'impresa viene incluso nel piano di impegno trimestrale di Carmignac, conformemente alla politica di impegno di Carmignac. È possibile prospettare un disinvestimento con una strategia di uscita predeterminata entro i limiti di tale politica.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

La società di gestione applica un processo di screening delle controversie relative alle Linee guida dell'OCSE destinate alle imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani per tutti gli investimenti nel fondo.

La società di gestione agisce conformemente ai principi del Global Compact delle Nazioni Unite (UNGC), alla Dichiarazione dell'Organizzazione internazionale del lavoro (OIL) sui principi e i diritti fondamentali sul luogo di lavoro e alle Linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) che permettono alle imprese multinazionali di valutare le norme a loro applicabili, inclusi a titolo esemplificativo le violazioni dei diritti umani, il diritto del lavoro e le prassi standard legate al clima.

Il fondo applica un processo di screening delle controversie per tutti i suoi investimenti. Sono escluse le imprese colpevoli di controversie importanti contro l'ambiente, i diritti umani e il diritto internazionale del lavoro, per citare le principali violazioni. Tale processo di screening fonda l'identificazione delle controversie sulle Linee guida dell'OCSE per le imprese e sui principi del Global Compact delle Nazioni Unite ed è comunemente denominato "screening normativo e include uno screening restrittivo controllato e misurato tramite il sistema ESG proprietario di Carmignac "START".
Si applicano un rating e una ricerca delle controversie societarie utilizzando i dati estratti da ISS ESG come database di ricerca.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.
Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La società di gestione si è impegnata ad applicare le norme tecniche di regolamentazione (denominate "NTR") di cui all'allegato 1 del regolamento delegato (UE) 2022/1288 che qualificano 14 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Nell'ambito della sua strategia PAI, Carmignac identifica le società che hanno sottoperformato il benchmark in termini di indicatori PAI. Il nostro fornitore di dati terzo, Impact Cubed, ci permette di monitorare l'impatto dei nostri fondi per ogni indicatore PAI.
L'identificazione delle aziende che hanno sottoperformato l'indice in termini di PAI ci permette di instaurare un dialogo per garantire che si impegnino a ridurre il proprio impatto. Abbiamo identificato Total Energies come uno dei principali responsabili della sottoperformance di Carmignac Investissement per quanto riguarda l'indicatore di performance relativo ai rifiuti pericolosi. Nel 2022 abbiamo incontrato Total Energies SA in seguito al nostro voto contro il piano di sviluppo sostenibile e di transizione climatica della società durante l'assemblea generale del 2022. A giugno abbiamo contattato l'azienda per condividere le nostre opinioni e le aree di miglioramento individuate. Tra queste figuravano:
1) un modalità più chiara di indicazione degli obiettivi di riduzione delle emissioni di CO2 per gli ambiti 1 e 2
2) una revisione delle previsioni di allocazione del CAPEX della società a favore delle energie rinnovabili e dell'energia verde nel medio termine.
Questo dialogo è stato anche un'occasione per affrontare le controversie ambientali e sociali in cui l'azienda è coinvolta. Visti gli impegni assunti dall'azienda in materia di rispetto delle comunità e della biodiversità, abbiamo chiesto maggiore chiarezza su come essa intenda esercitare una supervisione sufficiente e garantire che agirà in conformità con i suoi impegni a lungo termine, informando al contempo gli investitori sul rispetto di tali impegni. Continueremo a dialogare con Total Energies per monitorare questo PAI in particolare e faremo in modo che vengano attuate misure adeguate.

Quali sono stati i principali investimenti di questo prodotto finanziario?

Di seguito si riportano i 15 investimenti principali del 2022, sulla base della media dei dati di fine mese:

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:

Investimenti di maggiore entità	Settore	% di attivi	Paese
HERMES INTERNATIONAL	Beni voluttuari	3.54%	Francia
MICROSOFT CORP	Informatica	3.24%	USA
SCHLUMBERGER	Energia	3.07%	USA
AMAZON.COM INC	Beni voluttuari	2.69%	USA
JD.COM INC	Beni voluttuari	2.68%	Cina
NOVO NORDISK AS	Salute	2.61%	Danimarca

ELI LILLY & CO.	Salute	2.56%	USA
T-MOBILE US INC	Telecomunicazioni	2.45%	USA
DANAHER CORP	Salute	2.24%	USA
INTERCONTINENTAL EXCHANGE	Finanza	2.22%	USA
PALO ALTO NETWORKS INC	Informatica	2.18%	USA
UBER TECHNOLOGIES INC	Industria	2.12%	USA
ESSILOR INTL	Beni voluttuari	2.09%	Francia
AIRBUS GROUP	Industria	1.99%	Francia
ORACLE	Informatica	1.90%	USA

Qual è stata la quota degli investimenti in materia di sostenibilità?

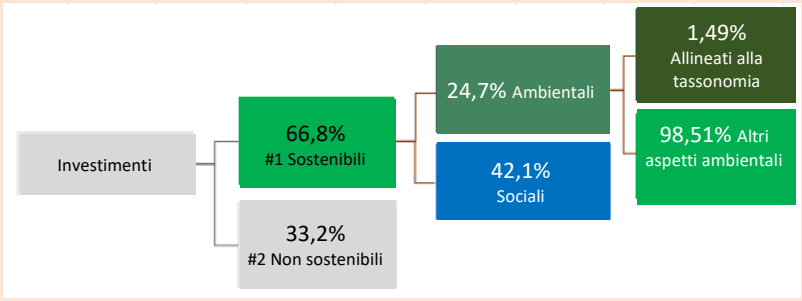
Al 30 dicembre 2022, il 66,8% del patrimonio netto del fondo era investito in società sostenibili, in base alla definizione precedentemente fornita.

Qual è stata l'allocazione degli attivi?

Il fondo effettua investimenti sostenibili dal momento che investe almeno il 50% del patrimonio netto in azioni di società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile ("SDG") delle Nazioni Unite, su un totale di 17. Al di fuori di tale minimo di investimenti sostenibili del 50% del patrimonio netto, il fondo potrà prendere in considerazione imprese in cui meno del 50% dei ricavi è allineato agli SDG delle Nazioni Unite o anche imprese in cui nessun ricavo soddisfa tale criterio. Al 30 dicembre 2022, il 66,8% del patrimonio netto del fondo è stato utilizzato per raggiungere il suo obiettivo sostenibile.

A partire da 1° gennaio 2023, i livelli minimi di investimenti sostenibili con obiettivi ambientali e sociali (come descritti nel seguente grafico) sono rispettivamente pari al 5% e al 15% del patrimonio netto del Comparto. Al 30 dicembre 2022, tali quote erano pari rispettivamente al 24,7% e al 42,1% del patrimonio netto del Fondo.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra gli altri, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.



La catégorie **#1 Durables** couvre les Investissements durables ayant des objectifs environnementaux ou sociaux.

La catégorie **#2 Non durables** inclut les investissements qui ne peuvent être qualifiés d'investissements durables qui ne sont pas

In quali settori economici sono stati effettuati gli investimenti?

Di seguito si riportano i principali settori economici in cui abbiamo realizzato investimenti nel 2022, sulla base della media dei dati di fine mese:

Settori economici	% di attivi
Beni voluttuari	22.2%
Salute	21.3%
Informatica	16.7%
Industria	9.2%
Beni di consumo non ciclici	8.5%
Finanza	7.5%
Telecomunicazioni	7.2%
Energia	4.7%
Impianti e servizi legati al settore Petrolio e gas	3.34%
Società integrate nel settore Petrolio e gas	1.36%
Esplorazione e produzione di petrolio e gas	0.04%
Materiali	1.4%
Servizi di pubblica utilità	1.1%
Immobiliare	0.09%

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti

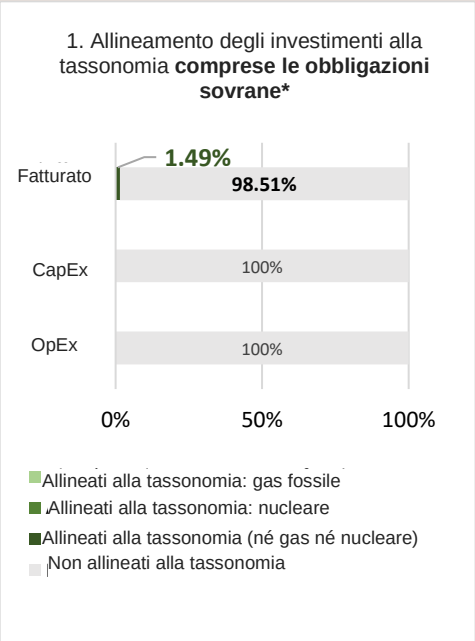
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE1?

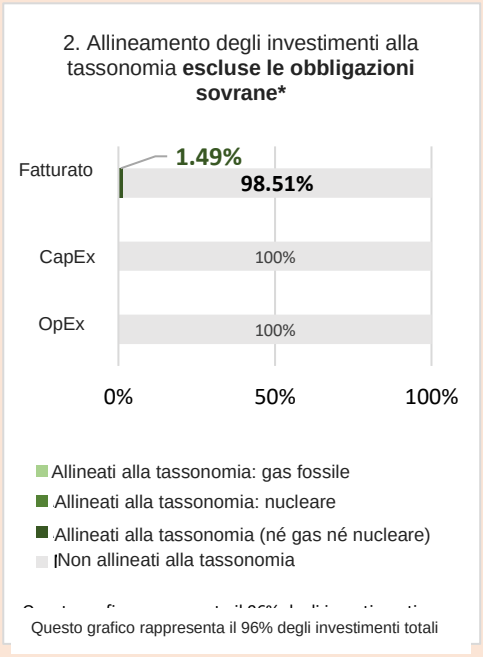
☐ Sì:

☐ Gas fossile ☐ Energia nucleare

☒ No:

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente alla tassonomia dell'UE.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Non pertinente.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non pertinente.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla tassonomia dell'UE?

Il livello di investimenti sostenibili con un obiettivo ambientale ma non allineati alla tassonomia dell'UE era pari al 24,7% del patrimonio netto.

Qual era la quota di investimenti socialmente sostenibili?

Il livello di investimenti sostenibili con un obiettivo sociale era pari al 42,1% del patrimonio netto.

Quali investimenti erano compresi nella categoria "Non sostenibili" e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

Oltre agli investimenti sostenibili, il fondo può investire in liquidità (e strumenti equivalenti) con finalità di gestione della liquidità. Il fondo può altresì investire in strumenti derivati con finalità di copertura.

Nella misura in cui il fondo assume posizioni corte utilizzando strumenti derivati su sottostante unico, si applicano le esclusioni definite a livello di società di gestione. Tali prodotti derivati sono esaminati per assicurarsi che rispettino le norme globali in materia di protezione dell'ambiente, diritti umani, standard lavorativi e lotta alla corruzione, tramite uno screening delle controversie (approccio "basato su norme"). Questi investimenti sono sottoposti a uno screening basato su salvaguardie minime, volto ad assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani.

Quali azioni sono state adottate per raggiungere l'obiettivo di investimento sostenibile durante il periodo di riferimento?

Nel 2022 Carmignac ha adottato le seguenti azioni per sostenere il processo di investimento nel rispetto delle caratteristiche ambientali e sociali:

Pilastro 1: Integrazione ESG:

- Aggiunta di ulteriori indicatori sociali (dati sulla soddisfazione dei dipendenti e dei consumatori) al processo di rating ESG esclusivo di START, per informare gli analisti sugli aspetti rilevanti che possono influire sulla tesi d'investimento.
- Miglioramento della capacità di monitoraggio di green bond, social bond, sustainable bond e obbligazioni legate alla sostenibilità per facilitare il monitoraggio e la redazione di relazioni future all'interno del sistema Global Portfolio Monitoring tramite un dashboard dei gestori di portafoglio sulle posizioni dei fondi.
- Sviluppo di modelli di rating ESG proprietari per il debito sovrano (Impact e Global) nell'interfaccia START, per migliorare l'efficienza e le conoscenze del team di gestione del portafoglio.

- Integrazione del monitoraggio dei principali effetti negativi e definizione di una politica volta ad integrare queste informazioni sugli indicatori ambientali, sociali e dei diritti umani nella logica di investimento.
- Maggiore trasparenza e monitoraggio automatizzato del processo di riduzione dell'universo.
- Aggiunta al sistema ESG proprietario di START di una mappatura dell'allineamento agli Obiettivi di sviluppo sostenibile delle Nazioni Unite, misurata in % del fatturato per ogni società in cui sono presenti collegamenti tra le attività commerciali direttamente correlate ai nove SDG da noi selezionati e in cui è possibile investire.
- Condivisione del monitoraggio settimanale della percentuale minima di investimenti sostenibili con i team di investimento nell'ambito del monitoraggio ESG interno.

Pilastro 2: Esclusioni

- Automatizzazione del processo di revisione trimestrale dell'elenco per identificare le società legate a controversie o che potrebbbero essere soggette a esclusioni settoriali rigide e al processo di riduzione dell'universo, se applicabile.

Pilastro 3: Voto ed engagement

- Introduzione di un approccio di "voto chiave" al fine di dare la priorità alle società identificate con l'obiettivo di fornire raccomandazioni di voto più mirate e avviare potenziali attività di engagement legate alla decisione di voto, in particolare i voti "Say on climate".
- Redazione di bollettini informativi trimestrali sulla gestione responsabile per dimostrare pubblicamente ai clienti come promuoviamo l'azionariato attivo.
- Proseguimento del nostro piano trimestrale di engagement con le aziende, di cui quasi il 58% ha riguardato questioni ambientali, sociali o di governance.

Per quanto riguarda più specificamente le attività di engagement, la nostra responsabilità fiduciaria implica il pieno esercizio dei nostri diritti di azionisti e l'engagement con le società in cui investiamo. Il dialogo è condotto dagli analisti finanziari, dai gestori di portafoglio e dal team ESG. Crediamo che le nostre attività di engagement permettano di comprendere meglio come le società gestiscono i rischi extrafinanziari e migliorano notevolmente il loro profilo ESG, garantendo al contempo una creazione di valore a lungo termine per i nostri clienti, la società e l'ambiente. Le nostre iniziative di engagement possono riguardare una delle cinque considerazioni seguenti: 1) rischi ESG, 2) un tema ESG, 3) un impatto desiderato, 4) un comportamento controverso o 5) una decisione di voto a un'assemblea generale. Carmignac può collaborare con altri azionisti e detentori di obbligazioni quando ciò permette di influenzare le azioni e la governance delle società presenti in portafoglio. Al fine di assicurare che l'azienda identifichi, preveda e gestisca adeguatamente qualsiasi situazione di conflitto di interessi potenziale o confermato, Carmignac ha implementato e mantiene aggiornate politiche e direttive.

Nel 2022, abbiamo svolto attività di engagement con 81 società in merito a temi ESG specifici a livello di Carmignac e con 19 società in questo particolare fondo.
Abbiamo ad esempio ripreso il dialogo con Amazon, dopo il nostro incontro nel marzo 2021, dato che la società continua ad essere oggetto di controversie riguardanti la gestione delle esternalità ambientali e sociali generate dalle sue attività. La riunione si è tenuta in aprile e l'attività di engagement si è concentrata sui seguenti temi:

- il ruolo del fondatore (Jeff Bezos) nell'azienda;
- la struttura di governance in atto per gestire le questioni ambientali, sociali ed etiche;
- il trattamento dei dipendenti e il rapporto dell'azienda con i sindacati;
- l'approccio dell'azienda alle questioni fiscali;
- le performance ambientali.

Inoltre, abbiamo chiesto maggiore trasparenza sulle informazioni relative all'economia circolare dell'azienda, compreso il modo in cui gestisce i resi dei clienti, l'impronta di carbonio di tali resi e le iniziative relative alle donazioni.

Abbiamo indicato all'azienda la necessità di migliorare la trasparenza generale sulle varie iniziative ambientali e sociali intraprese per ottimizzare le sue prassi e risolvere il suo problema di reputazione. L'analista settoriale ci ha informati che quest'attività di engagement non ha comportato alcuna modifica all'interno del nostro sistema di rating proprietario START. Ciononostante, porteremo avanti il nostro engagement con la società e continueremo a monitorare le sue prassi ambientali, sociali e di governance (ESG).



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento sostenibile?

Non pertinente.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Per quali aspetti l'indice di riferimento differisce da un indice generale di mercato?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità volti a determinare l'allineamento dell'indice di riferimento all'obiettivo di investimento sostenibile?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?

Non pertinente.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: CARMIGNAC PATRIMOINE
Identificativo della persona giuridica: 969500YXGX7FIV0U3F31

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario ha un obiettivo di investimento sostenibile?

☐ **Sì**	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** _____ %	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 10% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** __ %	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.

Nel 2022 la percentuale minima di investimenti che promuovono caratteristiche A/S era pari al 10% e resterà tale nel 2023. I livelli minimi di investimenti che promuovono caratteristiche A/S, con obiettivi ambientali e sociali sono rispettivamente pari all'1% e al 3% del patrimonio netto del fondo; tale limite sarà applicato a partire dal 1° gennaio 2023.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il fondo applica approcci "best-in-universe" (identificazione delle società che offrono attività sostenibili) e "best-effort" (approccio che consiste nel prediligere gli emittenti che danno prova di un miglioramento o di buone prospettive per le loro prassi e performance ESG nel tempo) al fine di investire in modo sostenibile coniugando una strategia basata su quattro pilastri: 1) integrazione ESG, 2) screening negativo, 3) screening positivo, e 4) responsabilità degli azionisti per promuovere le caratteristiche ambientali e sociali. Inoltre, contribuisce positivamente all'ambiente grazie a investimenti che si traducono nella mitigazione e nell'adattamento ai cambiamenti climatici e, in parte, contribuisce positivamente all'ambiente e alla società attraverso un approccio basato sugli obiettivi di investimento sostenibile delle Nazioni Unite.

Nel corso dell'anno non sono state riscontrate carenze relative alle caratteristiche ambientali e sociali promosse.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Il fondo utilizza gli indicatori di sostenibilità seguenti nel suo approccio a quattro pilastri per misurare il rispetto di ciascuna delle caratteristiche ambientali o sociali che promuove:

1) **Tasso di copertura dell'analisi ESG:** L'integrazione ESG, attraverso il rating ESG effettuato tramite la piattaforma ESG proprietaria "START" (*System for Tracking and Analysis of a Responsible Trajectory*) di Carmignac, si applica ad almeno il 90% dei titoli. Al 30/12/2022, il tasso di copertura dell'analisi ESG era del 99,43% dei titoli in portafogli (liquidità e prodotti derivati esclusi).

2) **Riduzione dell'universo d'investimento** (minimo 20% della componente azionaria e della componente di obbligazioni societarie del portafoglio): uno screening negativo e delle esclusioni di attività e di prassi non sostenibili, rispecchiate dai bassi punteggi ESG di START, MSCI e ISS ("Institutional Shareholder Services") ESG, che sono effettuati sulla base degli indicatori seguenti: (a) prassi che arrecano danno alla società e all'ambiente, (b) controversie riguardanti le linee guida OCSE e i principi del Global Compact delle Nazioni Unite, (c) armi controverse, (d) produzione di carbone termico, (e) produttori di energia che non hanno previsto alcun obiettivo d'allineamento all'Accordo di Parigi, (f) imprese coinvolte nella produzione di tabacco, (g) imprese coinvolte nell'intrattenimento per adulti. Al 30/12/2022, l'universo di investimento del portafoglio era stato ridotto del 21,17% per la componente azionaria e del 21,77% per la componente obbligazionaria.

3) **Screening positivo:** almeno il 10% del patrimonio netto del fondo (ossia il suo patrimonio netto, ad esclusione della liquidità, dei prodotti derivati utilizzati con finalità di copertura e degli OICR utilizzati per la gestione della liquidità) è investito in azioni di società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile delle Nazioni Unite su 17. Per maggiori informazioni sugli Obiettivi di sviluppo sostenibile delle Nazioni Unite, si consiglia di visitare il sito: https://sdgs.un.org/goals. Al 30/12/2022, il 24,7% del patrimonio netto del fondo era investito in azioni di società allineate positivamente a uno dei 9 SDG descritti sopra.

4) **Responsabilità degli azionisti:** gli impegni ambientali e sociali delle imprese che determinano il miglioramento delle politiche di sviluppo sostenibile delle imprese sono misurati dagli indicatori seguenti: (a) livello di impegno attivo e politiche di voto, (b) numero di attività di impegno, (c) percentuale di voto, e (d) partecipazione alle assemblee degli azionisti (o di detentori di obbligazioni).

Nell'anno 2022, abbiamo interagito con 81 società a livello di Carmignac e 19 società a livello di Carmignac Patrimoine. Pertanto, abbiamo esercitato quasi il 100% dei voti per le società in cui detenevamo partecipazioni (98,21%).

Inoltre, per quanto riguarda il monitoraggio dei principali effetti negativi (*principal adverse impacts*– "PAI"), e conformemente all'allegato 1 del regolamento delegato (UE) 2022/1288, il fondo segue 16 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo

a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Di seguito si riporta l'andamento degli indicatori dei principali effetti negativi per il 2022, sulla base della media dei dati di fine trimestre, per le componenti azionaria e obbligazioni societarie del portafoglio:

Indicatori PAI	Sulla base dei dati forniti dalla società	Fondo	Copertura
Scope 1 del protocollo GHG	Emissioni di GHG Scope 1	**345252,5**	58%
Scope 2 del protocollo GHG	Emissioni di GHG Scope 2	**59752,5**	58%
Scope 3 del protocollo GHG	A decorrere dal 1° gennaio 2023, emissioni di GHG Scope 3	**2762720**	58%
Totale GHG	Emissioni totali di GHG	**3167727,5**	58%
Impronta di carbonio	Impronta di carbonio	**399,07**	58%
Livello di intensità di GHG	Intensità di GHG delle società	**968,4025**	58%
Esposizione a imprese attive nel settore dei combustibili fossili	Quota degli investimenti in imprese attive nel settore dei combustibili fossili	**8%**	58%
Quota di consumo di energia non rinnovabile	Quota di consumo di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile, espressa in percentuale	**68%**	58%
Quota di produzione di energia non rinnovabile	Quota di produzione di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile, espressa in percentuale	**22%**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - Totale	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - Totale	**0,345**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore A	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore A (Agricoltura, silvicoltura e pesca)	**N/A**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore B	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore B (Attività estrattiva)	**0,89**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore C	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore C (Attività manifatturiere)	**0,2375**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore D	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore D (Fornitura di energia elettrica, gas, vapore e aria condizionata)	**5,8075**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore E	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore E (Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento)	**N/A**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore F	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Costruzioni)	**N/A**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore G	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore G (Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli)	**0,03**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore H	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Trasporto e magazzinaggio)	**1,7675**	58%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore L	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore L (Attività immobiliari)	**0,505**	58%
Biodiversità	Quota di investimenti effettuati in imprese i cui siti/operazioni sono situati in aree sensibili dal punto di vista	**1%**	58%

	della biodiversità e le cui attività hanno un impatto negativo su tali aree		
Emissioni legate all'acqua	Tonnellate di emissioni in acqua generate dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**201,57**	58%
Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**118,265**	58%
Uso e riciclo dell'acqua	Quantità media di acqua consumata e recuperata dalle imprese (in metri cubi) per milione di EUR di entrate	**2982,885**	58%
Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**1%**	58%
Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese che non dispongono di politiche per controllare il rispetto dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali, o di meccanismi di trattamento dei reclami/delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**24%**	58%
Divario retributivo di genere non corretto	Divario retributivo di genere medio non corretto nelle imprese	**85%**	58%
Diversità di genere nel consiglio di amministrazione	Rapporto medio tra donne e uomini nei consigli di amministrazione delle società	**33%**	58%
Esposizione ad armi controverse	Quota di investimenti nelle imprese coinvolte nella fabbricazione o nella vendita di armi controverse	**0**	58%
Eccesso di divario retributivo a favore degli amministratori delegati	Rapporto medio, all'interno delle imprese beneficiarie degli investimenti, tra la retribuzione totale annua della persona meglio remunerata e la retribuzione totale annua mediana di tutti i dipendenti (esclusa la persona meglio remunerata).	**90,3**	58%

...e rispetto ai periodi precedenti?

Non pertinente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Il fondo investe almeno il 10% del patrimonio netto in azioni di società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile ("SDG") delle Nazioni Unite, su un totale di 17, selezionati per questo fondo: (1) sconfiggere la povertà; (2) sconfiggere la fame; (3) salute e benessere; (4) istruzione di qualità; (6) acqua pulita e servizi igienico-sanitari; (7) energia pulita e accessibile; (9) imprese, innovazione e infrastrutture; (11) città e comunità sostenibili; (12) consumo e produzione responsabili.

Un'impresa è considerata "allineata" quando genera il 50% o più dei suoi ricavi da attività che si ritiene contribuiscano a uno dei nove SDG summenzionati. Tali soglie del 50% rappresentano un'intenzionalità significativa dell'impresa rispetto all'attività contributrice e ai suoi progetti di crescita.

Al fine di determinare quali imprese sono allineate, la società di gestione ha identificato un solido sistema di classificazione delle imprese e ha mappato 1700 attività commercial diverse. Inoltre, la società di gestione utilizza l'"SDG Compass", una risorsa creata dal GRI ("Global Reporting Initiative"), dal Global Compact delle Nazioni Unite e dal World Business Council for Sustainable Development, al fine di identificare le attività commerciali che contribuiscono a ciascun SDG. Inoltre, Carmignac ha creato dei "temi investibili" in funzione delle attività commerciali. Sulla base di tali temi, la società di gestione vaglia ciascuna attività commerciale nel sistema di classificazione, allineando le attività commerciali adatte ai "temi investibili" di Carmignac e utilizzando gli obiettivi SDG per verificare la loro adeguatezza. Una volta raggiunta la soglia del 50% di ricavi o di investimenti per un dato emittente, la ponderazione totale della partecipazione è considerata allineata.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Tutti gli investimenti del fondo (non solo gli investimenti sostenibili) sono esaminati per accertare la loro conformità alle norme globali in materia di protezione dell'ambiente, diritti umani, standard lavorativi e lotta alla corruzione, tramite uno screening delle controversie. In particolare, gli investimenti sono sottoposti a uno screening basato su salvaguardie minime, volto ad assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani.

Inoltre, il fondo assicura che tali attività non pregiudichino in misura significativa gli obiettivi ambientali.

L'attività di impegno in materia di comportamenti controversi mira a eliminare la violazione da parte di un'impresa dei Principi guida del Global Compact delle Nazioni Unite e/o dell'OCSE destinati alle imprese multinazionali e a predisporre dei sistemi di gestione adatti per impedire che una tale violazione si ripeta. Se l'attività di impegno non ha esito positivo, l'impresa è considerata esclusa. I casi di impegno rafforzato sono selezionati con cadenza trimestrale in base alla necessità di monitoraggio. L'enfasi posta sull'impegno può variare a seconda delle diverse esposizioni d'investimento.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Gli indicatori degli effetti negativi sono monitorati con cadenza trimestrale. Gli effetti negativi sono identificati secondo il loro grado di gravità. Previa discussione con il team di investimento interessato, viene stabilito un piano d'azione che comprende un calendario d'esecuzione.

Il dialogo con l'impresa rappresenta generalmente il piano d'azione privilegiato per influenzare la mitigazione degli effetti negativi da parte dell'impresa interessata, nel qual caso l'impegno dell'impresa viene incluso nel piano di impegno trimestrale di Carmignac, conformemente alla politica di impegno di Carmignac. È possibile prospettare un disinvestimento con una strategia di uscita predeterminata entro i limiti di tale politica.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Gli investimenti sostenibili sono allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

La società di gestione applica un processo di screening delle controversie relative alle Linee guida dell'OCSE destinate alle imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani per tutti gli investimenti nel fondo.

La società di gestione agisce conformemente ai principi del Global Compact delle Nazioni Unite (UNGC), alla Dichiarazione dell'Organizzazione internazionale del lavoro (OIL) sui principi e i diritti fondamentali sul luogo di lavoro e alle Linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) che permettono alle imprese multinazionali di valutare le norme a loro applicabili, inclusi a titolo esemplificativo le violazioni dei diritti umani, il diritto del lavoro e le prassi standard legate al clima.

Il fondo applica un processo di screening delle controversie per tutti i suoi investimenti. Sono escluse le imprese colpevoli di controversie importanti contro l'ambiente, i diritti umani e il diritto internazionale del lavoro, per citare le principali violazioni. Tale processo di screening fonda l'identificazione delle controversie sulle Linee guida dell'OCSE per le imprese e sui principi del Global Compact delle Nazioni Unite ed è comunemente denominato "screening normativo e include uno screening restrittivo controllato e misurato tramite il sistema ESG proprietario di Carmignac "START". Si applicano un rating e una ricerca delle controversie societarie utilizzando i dati estratti da ISS ESG come database di ricerca.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La società di gestione si è impegnata ad applicare le norme tecniche di regolamentazione (denominate "NTR") di cui all'allegato 1 del regolamento delegato (UE) 2022/1288 che qualificano 16 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Nell'ambito della sua strategia PAI, Carmignac identifica le società che hanno sottoperformato il benchmark in termini di indicatori PAI. Il nostro fornitore di dati terzo, Impact Cubed, ci permette di monitorare l'impatto dei nostri fondi per ogni indicatore PAI.
L'identificazione delle aziende che hanno sottoperformato l'indice in termini di PAI ci permette di avviare un dialogo con le imprese per garantire che si impegnino a ridurre il proprio impatto. Abbiamo identificato Ryanair come uno dei principali responsabili della sottoperformance di

Carmignac Patrimoine per quanto riguarda l'intensità del consumo di energia. Di conseguenza, abbiamo incontrato la società nel 2022. Poiché Ryanair è un'azienda ad alta intensità di carbonio, era importante ricollegarsi agli impegni in ambito climatico, ma anche a qualsiasi altro sviluppo in campo ESG. La compagnia aerea ha recentemente annunciato il suo piano d'azione per l'azzeramento delle emissioni entro il 2050 che, dopo la nostra discussione, sembra particolarmente concreto. Le iniziative di decarbonizzazione dell'azienda saranno graduali, ma i piani a breve e medio termine sono in linea con le nostre aspettative.
Continueremo a dialogare con Ryanair per monitorare questo PAI in particolare e faremo in modo che vengano attuate misure adeguate.

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:

Di seguito si riportano i 15 investimenti principali del 2022, sulla base della media dei dati di fine mese per le componenti azionaria e obbligazionaria del portafoglio:

Investimenti di maggiore entità	Settore	% di attivi	Paese
HERMES INTERNATIONAL	Beni voluttuari	1.77%	Francia
UNITED STATES 1.88% 15/11/2051	Titoli di Stato	1.62%	USA
SCHLUMBERGER	Energia	1.58%	USA
MICROSOFT CORP	Informatica	1.45%	USA
NOVO NORDISK AS	Salute	1.31%	Danimarca
ELI LILLY & CO.	Salute	1.29%	USA
AMAZON.COM INC	Beni voluttuari	1.19%	USA
T-MOBILE US INC	Telecomunicazioni	1.13%	USA
DANAHER CORP	Salute	1.12%	USA
ESSILOR INTL	Beni voluttuari	1.05%	Francia
PALO ALTO NETWORKS INC	Informatica	0.99%	USA
INTERCONTINENTAL EXCHANGE	Finanza	0.99%	USA
JD.COM INC	Beni voluttuari Industria	0.97%	Cina
AIRBUS GROUP	Materiali	0.96%	Francia
AGNICO EAGLE MINES		0.92%	Canada

Qual è stata la quota degli investimenti in materia di sostenibilità?

Al 30 dicembre 2022, il 24,7% del patrimonio netto del fondo era dedicato ad investimenti sostenibili (allineati con obiettivi di sviluppo sostenibile).

Qual è stata l'allocazione degli attivi?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

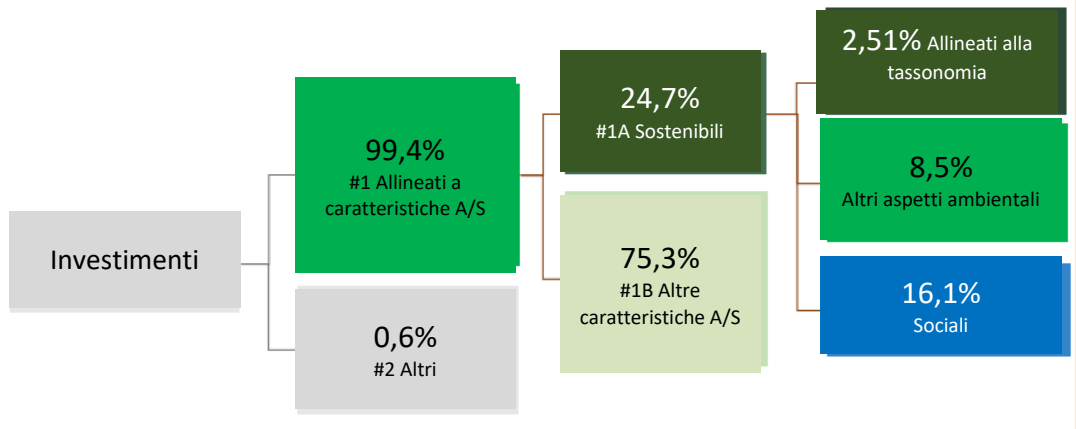
Almeno il 90% degli investimenti del fondo è concepito per soddisfare le caratteristiche ambientali o sociali che promuove, conformemente agli elementi vincolanti della strategia di investimento. Al 30/12/2022, il tasso di copertura dell'analisi ESG era pari al 99,4% del portafoglio (esclusi liquidità e derivati).

Quota minima di investimenti sostenibili:
Il fondo effettua investimenti sostenibili dal momento che investe almeno il 10% del patrimonio netto in azioni di società che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile ("SDG") delle Nazioni Unite, su un totale di 17. Al di fuori di tale minimo di investimenti sostenibili del 10% del patrimonio netto, il fondo potrà prendere in considerazione imprese in cui meno del 50% dei ricavi è allineato agli SDG delle Nazioni Unite o anche imprese in cui nessun ricavo soddisfa tale criterio. Al 30 dicembre 2022, il 24,7% del patrimonio netto del fondo era dedicato ad investimenti sostenibili (allineati con obiettivi di sviluppo sostenibile).

A partire dal 1° gennaio 2023, i livelli minimi di investimenti che promuovono caratteristiche A/S, con obiettivi ambientali e sociali sono rispettivamente pari all'1% e al 3% del patrimonio netto del Fondo. Al 30 dicembre 2022, tali quote erano pari rispettivamente all'8,5% e al 16,1% del patrimonio netto del Fondo.

Quota di #2 Altri investimenti:
Nel momento in cui gli investimenti si collocano al di fuori del limite minimo del 90% che integra le caratteristiche ambientali e sociali, è possibile che l'analisi ESG non sia stata effettuata. Al 30/12/2022, tale quota era pari allo 0,6% del patrimonio netto del Fondo.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S comprende**:
- La sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Di seguito si riportano i principali settori economici in cui abbiamo realizzato investimenti nel 2022, sulla base della media dei dati di fine mese, per la componente azionaria del portafoglio:

Settore economico	% di attivi
Salute	22.2%
Beni voluttuari	20.4%
Informatica	13.1%
Materiali	9.0%
Industria	7.4%
Beni di consumo non ciclici	7.3%
Telecomunicazioni	6.9%
Finanza	6.7%
Energia	5.7%
Impianti e servizi legati al settore Petrolio e gas	4.04%
Società integrate nel settore Petrolio e gas	1.66%
Servizi di pubblica utilità	1.3%
Immobiliare	0.10%

*Fonti: Carmignac, al 30/12/2022

Di seguito si riportano i principali settori economici in cui abbiamo realizzato investimenti nel 2022, sulla base della media dei dati di fine mese, per la componente obbligazionaria del portafoglio:

Settore economico	% di attivi
Energia	31.59%
Impianti e servizi legati al settore Petrolio e gas	21.50%
Esplorazione e produzione di petrolio e gas	5.18%
Società integrate nel settore Petrolio e gas	2.69%
Raffinazione e commercializzazione di petrolio e gas	1.62%
Trivellazione di petrolio e gas	0.61%
Finanza	30.83%
Telecomunicazioni	10.28%
Beni voluttuari	6.59%
Immobiliare	6.20%
Salute	5.88%
Industria	3.60%
Informatica	2.47%
Materiali	1.24%
Servizi di pubblica utilità	1.14%
Beni di consumo non ciclici	0.17%

*Fonti: Carmignac, al 30/12/2022

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il fondo ha un obiettivo ambientale legato agli Obiettivi di sviluppo sostenibile e non alla Tassonomia europea. Al 30/12/2022, il suo allineamento alla Tassonomia UE era del 2,51%.

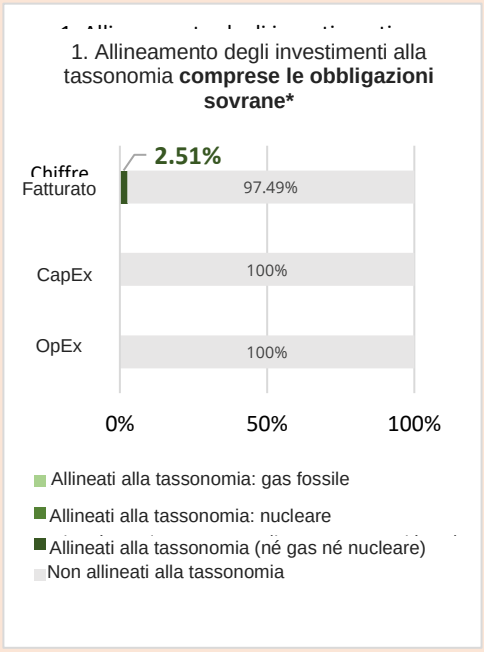
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE1?

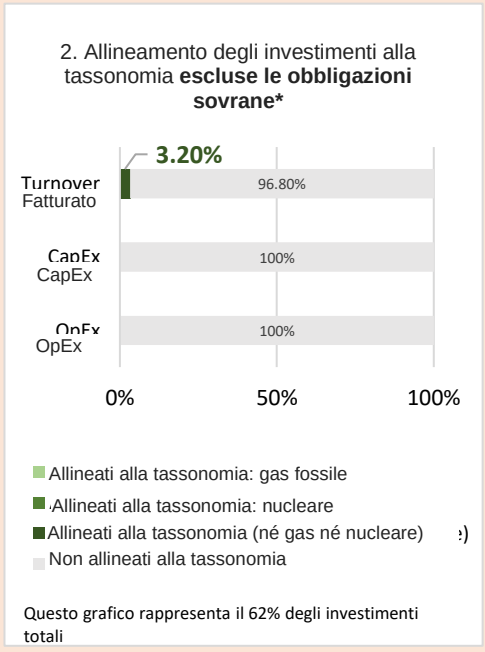
☐ Sì:

☐ Gas fossile ☐ Energia nucleare

☒ No:

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Non pertinente.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non pertinente.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente alla tassonomia dell'UE.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla tassonomia dell'UE?

Il livello di investimenti sostenibili con un obiettivo ambientale ma non allineati alla tassonomia dell'UE era pari all'8,5% del patrimonio netto.

Qual era la quota di investimenti socialmente sostenibili?

Al 30/12/2022 il livello di investimenti sostenibili con un obiettivo sociale era pari al 16,1% del patrimonio netto.

Quali investimenti erano compresi nella categoria "Altri" e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota restante del portafoglio (ossia quella al di fuori della quota minima del 90%) può anch'essa promuovere caratteristiche ambientali e sociali, ma non è sistematicamente coperta dall'analisi ESG. Tali attivi possono comprendere strumenti derivati o titoli che sono stati oggetto di un'introduzione in borsa e la cui analisi ESG può essere effettuata successivamente all'acquisizione del suddetto strumento finanziario da parte del fondo. La liquidità (e strumenti equivalenti) e i derivati (utilizzati con finalità di copertura o di esposizione) sono anch'essi inclusi in "#2 Altri".

L'insieme degli attivi del fondo (esclusi liquidità e strumenti derivati) prevede l'applicazione di esclusioni e filtri settoriali e normativi negativi che garantiscono un minimo di garanzie ambientali e sociali.

Inoltre, all'insieme degli attivi del fondo si applicano il processo di esclusione che assicura il rispetto del principio di non causare danni significativi, l'assenza di danni significativi e il monitoraggio degli effetti negativi.

A livello di emittenti (azioni e obbligazioni societarie), gli investimenti che non si configurano come investimenti sostenibili vengono esaminati per assicurarsi che rispettino le norme globali in materia di protezione dell'ambiente, diritti umani, standard lavorativi e lotta alla corruzione, tramite uno screening delle controversie (approccio "basato su norme"). Questi investimenti sono sottoposti a uno screening basato su salvaguardie minime, volto ad assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Nel 2022 Carmignac ha adottato le seguenti azioni per sostenere il processo di investimento nel rispetto delle caratteristiche ambientali e sociali:

Pilastro 1: Integrazione ESG:

- Aggiunta di ulteriori indicatori sociali (dati sulla soddisfazione dei dipendenti e dei consumatori) al processo di rating ESG esclusivo di START, per informare gli analisti sugli aspetti rilevanti che possono influire sulla tesi d'investimento.
- Miglioramento della capacità di monitoraggio di green bond, social bond, sustainable bond e obbligazioni legate alla sostenibilità per facilitare il monitoraggio e la redazione di relazioni future all'interno del sistema Global Portfolio Monitoring tramite un dashboard dei gestori di portafoglio sulle posizioni dei fondi.
- Sviluppo di modelli di rating ESG proprietari per il debito sovrano (Impact e Global) nell'interfaccia START, migliorando l'efficienza e il database ESG a disposizione dei team di gestione.
- Integrazione del monitoraggio dei principali effetti negativi e definizione di una politica volta ad integrare queste informazioni sugli indicatori ambientali, sociali e dei diritti umani nella logica di investimento.
- Maggiore trasparenza e monitoraggio automatizzato del processo di riduzione dell'universo.
- Aggiunta al sistema ESG proprietario di START di una mappatura dell'allineamento agli Obiettivi di sviluppo sostenibile delle Nazioni Unite, misurata in % del fatturato per ogni società in cui sono presenti collegamenti tra le attività commerciali direttamente correlate ai nove SDG da noi selezionati e in cui è possibile investire.
- Condivisione del monitoraggio settimanale della percentuale minima di investimenti sostenibili con i team di investimento nell'ambito del monitoraggio ESG interno.

Pilastro 2: Esclusioni

- Automatizzazione del processo di revisione trimestrale dell'elenco per identificare le società legate a controversie o che potrebbbero essere soggette a esclusioni settoriali rigide e al processo di riduzione dell'universo, se applicabile.

Pilastro 3: Voto ed engagement

- Introduzione di un approccio di "voto chiave" al fine di dare la priorità alle società identificate con l'obiettivo di fornire raccomandazioni di voto più mirate e avviare potenziali attività di engagement legate alla decisione di voto, in particolare i voti "Say on climate".
- Redazione di bollettini informativi trimestrali sulla gestione responsabile per dimostrare pubblicamente ai clienti come promuoviamo l'azionariato attivo.
- Proseguimento del nostro piano trimestrale di engagement con le aziende, di cui quasi il 58% ha riguardato questioni ambientali, sociali o di governance.

Per quanto riguarda più specificamente le attività di engagement, la nostra responsabilità fiduciaria implica il pieno esercizio dei nostri diritti di azionisti e l'engagement con le società in cui investiamo. Il dialogo è condotto dagli analisti finanziari, dai gestori di portafoglio e dal team ESG. Crediamo che le nostre attività di engagement permettano di comprendere meglio come le società gestiscono i rischi extrafinanziari e migliorano notevolmente il loro profilo ESG, garantendo al contempo una creazione di valore a lungo termine per i nostri clienti, la società e l'ambiente. Le nostre iniziative di engagement possono riguardare una delle cinque considerazioni seguenti: 1) rischi ESG, 2) un tema ESG, 3) un impatto desiderato, 4) un comportamento controverso o 5) una decisione di voto a un'assemblea generale. Carmignac può collaborare con altri azionisti e detentori di obbligazioni quando ciò permette di influenzare le azioni e la governance delle società presenti in portafoglio. Al fine di assicurare che l'azienda identifichi, preveda e gestisca adeguatamente qualsiasi situazione di conflitto di interessi

potenziale o confermato, Carmignac ha implementato e mantiene aggiornate politiche e direttive.
La nostra responsabilità fiduciaria implica il pieno esercizio dei nostri diritti di azionisti e l'engagement con le società in cui investiamo. Il dialogo è assicurato dagli analisti finanziari, dai gestori di portafoglio e dal team ESG. Crediamo che le nostre attività di engagement portino a una migliore comprensione di come le società gestiscono i rischi extrafinanziari e migliorano in misura significativa il loro profilo ESG, offrendo al contempo una creazione di valore a lungo termine per i nostri clienti, la società e l'ambiente. Le nostre attività di engagement possono essere di 5 tipi: 1) legate ai rischi ESG, 2) legate a un tema ESG, 3) legate a un impatto desiderato, 4) dovute a un comportamento controverso o 5) associate a una decisione di voto a un'Assemblea generale. Carmignac può collaborare con altri azionisti e detentori di obbligazioni quando ciò può essere vantaggioso ai fini di engagement per influenzare le azioni e la governance delle società presenti in portafoglio. Al fine di assicurare che l'azienda identifichi, anticipi e gestisca adeguatamente qualsiasi situazione di conflitto di interessi potenziale o confermato, Carmignac ha implementato e mantiene aggiornate politiche e linee guida. Per ulteriori informazioni sulle nostre politiche di engagement si rimanda al nostro sito web.

Nell'anno 2022, abbiamo interagito con 81 società a livello di Carmignac e 19 società a livello di Carmignac Portfolio Patrimoine. Ad esempio, ci siamo confrontati con diverse imprese, in particolare Essilor, L'Oreal e TEVA Pharmaceuticals.

Dal 2020 intratteniamo un dialogo regolare con TEVA PHARMACEUTICALS, in particolare in ragione del suo coinvolgimento in controversie a livello settoriale. Nell'ottobre 2022 abbiamo discusso del recente accordo dell'emittente, in relazione alla crisi degli oppioidi con cui è alle prese l'intero settore, in base al quale dovrà pagare un importo di oltre 4 miliardi di dollari su un periodo di 13 anni.

L'accordo sulla questione degli oppioidi è stato raggiunto, ma altre controversie sono ancora in corso. Pertanto, ci aspettiamo che l'emittente rimanga coinvolto in contenziosi in futuro. Notiamo inoltre che i suoi farmaci a basso costo apportano benefici sociali, il che li rende più accessibili.

A seguito della discussione con l'emittente, l'analista ESG ha ritenuto che il suo rating ESG Start (B) rimanesse appropriato e non sono state apportate modifiche. Continuiamo a monitorare le risposte dell'emittente alle controversie in corso e il nostro engagement con la società in qualità di investitori obbligazionari.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento sostenibile?

Non pertinente.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Per quali aspetti l'indice di riferimento differisce da un indice generale di mercato?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità volti a determinare l'allineamento dell'indice di riferimento all'obiettivo di investimento sostenibile?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?

Non pertinente.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Product name: CARMIGNAC PORTFOLIO EMERGING PATRIMOINE **Legal entity identifier:** 5493009DHKYYWDKLT418

Environmental and/or social characteristics

1. Did this financial product have a sustainable investment objective?

●● ☐ **Yes**

●○ ☒ **No**

☐ It made a minimum of **sustainable investments with an environmental objective:** ___%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ___%

☒ 2. It **promoted Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of 10 % of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund has promoted environmental and social characteristics by applying best-in-universe and best-efforts approaches to invest in a sustainable manner by combining a four-pillar strategy: 1) ESG integration, 2) Negative screening, 3) Positive Screening 4) Active Stewardship...
Secondly, it has partially contributed positively to the environment and society through a UN SDGs approach.

No breach of environmental and social characteristics promoted have been identified during the year.

How did the sustainability indicators perform?

This Sub-Fund has used the following sustainability indicators of its four pillar approach to measure the attainment of each of the environmental or social characteristics promoted :

1) **The coverage rate of ESG analysis:** ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) has been applied to more than 90% of issuers. As of 30/12/2022, the coverage rate of ESG analysis was of 100% of issuers.

2) **Amount the universe is reduced by** (minimum 20% of the equities and corporate bonds section of the portfolio): Negative screening and exclusions of unsustainable activities and practices reflected in low ESG scores from START, MSCI or ISS ESG scores have been performed based on the following indicators : (a) practices that are harmful to society and the environment, (b) controversies against the OECD business guidelines and UN Global compact principles, (c) controversial weapons (d) coal mining activity, (d) power companies that have not Paris alignment objectives in place, (f) companies involved in tobacco production, (g) companies involved in adult entertainment. As of 30/12/2022, the universe was reduced by 67.61% (for the equity section) and 41.03% (for the corporate bonds section) of the portfolio.

3) **Positive screening** using an SDG Approach: the Sub-Fund has invested through the year in companies that derive more than 50% of their revenue from business activities that are positively aligned to one of the nine SDGs selected by Carmignac. As of 30/12/2022, the Sub-Fund had 30.86% of the portfolio invested in sustainable investments as per our definition above mentioned.

4) **Active stewardship**: Environmental and social related company engagements leading to improvement in companies sustainability policies have been measured by the following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings). In 2022, we engaged with 81 companies at Carmignac level, and 8 companies at the Sub-Fund level. At Sub-Fund level, we voted for close to 100% of the meetings where we have shareholder or bondholder righs to exercise (98%).

In addition, Principal Adverse Impact (PAI) monitoring : the Sub-Fund has applied the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators have been monitored to show the impact of such sustainable investments against these indicators : Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap (optional choice), Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio. Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

Please find below the performance of the principal adverse impacts indicators for the year 2022, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Sub-Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	**7100**	48%
GHG Scope 2	Scope 2 GHG emissions	**3252,5**	48%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	**66257,5**	48%
Total GHG	Total GHG emissions	**76610**	48%
Carbon footprint	Carbon footprint	**205,0175**	48%
GHG intensity	GHG intensity of investee companies	**594,9325**	48%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	**3%**	48%
Non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**66%**	48%
Non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**100%**	48%
Energy consumptionintensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	**0,315**	48%

Energy consumption intensity - NACE SectorA	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A(Agriculture, forestry and fishing)	**N/A**	48%
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	**1,37**	48%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	**1,035**	48%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	**1,56**	48%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	**N/A**	48%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	**N/A**	48%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**0,0275**	48%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	**0,1825**	48%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	**0,0275**	48%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**6%**	48%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**1105,475**	48%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**11,455**	48%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	**8833,46**	48%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**1%**	48%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**30%**	48%
Gender pay gap	Average unadjusted gender pay gap of investee companies	**82%**	48%
Board gender diversity	Average ratio of female to male board members in investee companies	**18%**	48%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0%**	48%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	**67,3575**	48%

- ***…and compared to previous periods?***

  Not applicable.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that derive at least 50% of their revenue from goods and services in relation to business activities which align positively with one of the following 9 out of 17 United Nations Sustainable Development Goals ("the Sustainable Development Goals") selected for this Sub-Fund: (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities (12) Responsible Consumption and Production. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

A company is considered 'aligned' when over 50% of their revenues come from activities which are deemed to contribute to one of the aforementioned nine UN SDGs. These 50% thresholds represent a significant intentionality of the company in regards to the contributing activity and its plans for growth.

In order to determine which companies are aligned, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. In addition, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Responsible Investment (RI) and Investment team. Once the the 50% revenue threshold is met, the full weight of the holding is considered aligned.

As of 30/12/2022, the Sub-Fund had 30.86% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

All of the the Sub-Fund's investments (not only the sustainable investments) were examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy screening. More precisely, the investments have been subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Additionally, the Sub-Fund ensured that such activities did not significantly harm the environmental objectives.

Controversial behaviours engagement aimed at eliminating a company's breach of the UNGC and/ or OECD Guidelines for Multinational Enterprises and installing proper management systems to prevent such a breach from recurring. If engagement was unsuccessful, the company has been considered for exclusion. Enhanced engagement cases have been selected quarterly depending on the need for a follow-up. Engagement focus can differ between various investment exposures.

How were the indicators for adverse impacts on sustainability factors taken into account?

According to Carmignac approach defined, the Principal Adverse Impact indicators were monitored on a quarterly basis. Adverse impacts are identified for their degree of severity. After internal discussionan action plan is established including a timeline for execution. Company dialogue is usually the preferred course of action to influence the company's mitigation of adverse impacts, in which case the company engagement is included in the quarterly Carmignac Engagement plan according to the Carmignac Shareholder Engagement policy. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

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

Carmignac applies a controversy screening process on OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights for all its investments across all Sub-funds.

Carmignac acts in accordance with the United Nations Global Compact (UNGC) principles, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises to assess companies' norms, including but not limited to human rights abuses, labour laws and standard climate related practices.

This Sub-Fund applies a controversy screening process for all of its investments. Companies that have committed significant controversies against the environment, human rights and international labour laws to name the key infractions are excluded. This screening process bases the indentification of controversies on the OECD Business Guidelines and UN Global compact principles and is commonly called norms-based screening, integrating a restrictive screening monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling, Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio. In addition and where applicable, sovereign bond indictators: social violence and GHG intensity can also be monitored.

As part of its PAI strategy Carmignac identifies companies that underperform the benchmark in terms of PAI Indicators. Our third party data provider Impact Cubed enables us to monitor the impact of our funds for each PAI.
Identifying outliers for each PAI indicator enables us to engage with companies in order to ensure they are committed to reducing their impact. We identified that ENI was one of the main contributors to the underperformance of Carmignac Portfolio Emerging Patrimoine for the Water Usage and Recycling PAI Indicator. More generally, as one of our largest holdings in our FI books, we felt it was important

to organise a call with ENI. The points of discussion were the controversy relating to oil spills in Nigeria, their renewable rollout, and their progress towards their Net Zero 2050 target. Given that this engagement was not specifically focused on the Water Usage and Recycling PAI Indicator we will consider a follow-up engagement with ENI on this PAI in 2023 and make sure that appropriate measures are being implemented.

What were the top investments of this financial product?

Please find below the average top investments based on 12 month end data for 2022 for the equity and bonds sections of the portfolio :

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Larger investments	Sector	% Assets	Country
SAMSUNG ELECTRONICS	Information Technology	6.43%	South Korea
PEMEX 4.75% 26/02/2029	Energy	5.60%	Mexico
CHILE 6.0% 01/01/2043	Government bonds	2.61%	Chile
ROMANIA 4.63% 03/04/2049	Government bonds	2.54%	Romania
DOMINICAN REP 5.88% 30/01/2060	Government bonds	2.36%	Dominican Republic
CZECH REPUBLI 1.50% 24/04/2040	Government bonds	2.23%	Czech Republic
BENIN 4.88% 19/01/2032	Government bonds	1.90%	Benin
HUNGARY 3.00% 25/04/2041	Government bonds	1.79%	Hungary
TAIWAN SEMICONDUCTOR	Information Technology	1.66%	Taiwan
BANQUE OUEST 2.75% 22/01/2033	Government bonds	1.63%	Sovereign
ROMANIA 2.88% 13/04/2042	Government Bonds	1.60%	Romania
PETROLEOS MEXICANOS 6.95% 28/07/2059	Energy	1.40%	Mexico
LG CHEM	Matériaux	1.31%	South Korea
HYUNDAI MOTOR	Consumer Discretionary	1.27%	South Korea
GRUPO BANORTE	Financials	1.27%	Mexico



What was the proportion of sustainability-related investments?

As of 30/12/2022, the Sub-Fund had 30.86% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned.

What was the asset allocation?

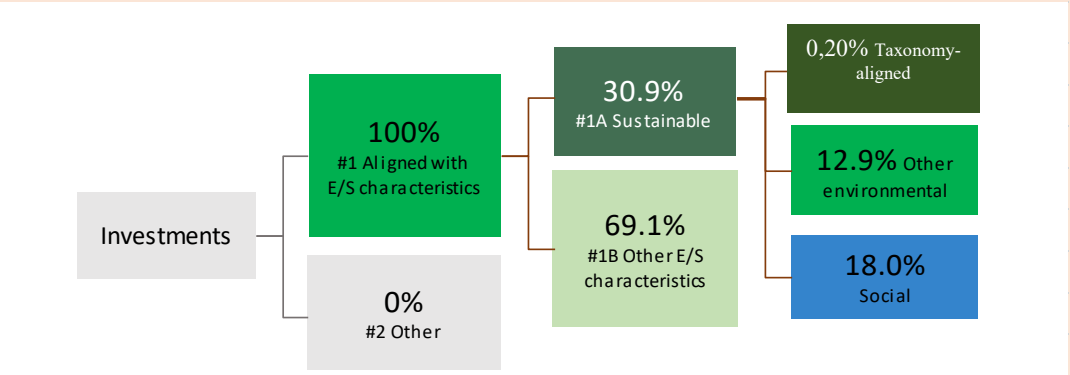
A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy. As of 30/12/2022, 100% of issuers have been covered by ESG analysis thus 100% of issuers were aligned with this E/S characteristics.

Asset allocation describes the share of investments in specific assets.

The minimum proportion of sustainable investment was 10%, a limit which was respected. As of 30/12/2022, the Sub-Fund had 30.86% of the portfolio invested in sustainable investments as per our definition above mentioned.

In addition, the minimum levels of sustainable investments with environmental and social objectives will be respectively 1% and 3% of the Sub-Fund's net assets and applied from 1 January 2023. On the 30/12/2022, 12.9% of the Sub-Fund's net assets are invested in sustainable investments with environmental objectives, and 18% in sustainable investment with social objectives.

The #2 Other investments (in additional to cash and derivatives which may be used for hedging purposes, if applicable) include equity, corporate bonds or sovereign bonds investments which are made strictly in accordance with the Sub-Fund's investment strategy. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund and may not have been covered by ESG analysis.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
-The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Please find below the average top sectors based on 12 month end data for 2022, for the corporate bonds section of the portfolio :

Larger economic sectors	% Assets
Energy	45.05%
Oil & Gas - Equipment & Services	*30.82%*
Oil & Gas - Exploration&Product.	*10.55%*
Oil & Gas- Refining & Marketing	*2.36%*
Integrated Oil & Gas	*1.31%*
Financials	31.50%
Communication Services	10.81%
Consumer Discretionary	7.79%
Consumer Staples	2.41%
Materials	0.66%
Utilities	0.64%
Real Estate	0.60%
Information Technology	0.53%

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

As of 30/12/2022, 0,20% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

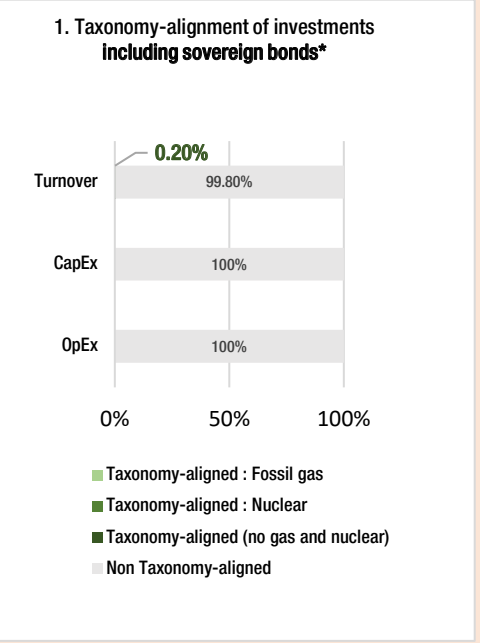
Did the financial product invest in fossil gas and/or nuclear energy related activties complying with the EU Taxonomy[5]?

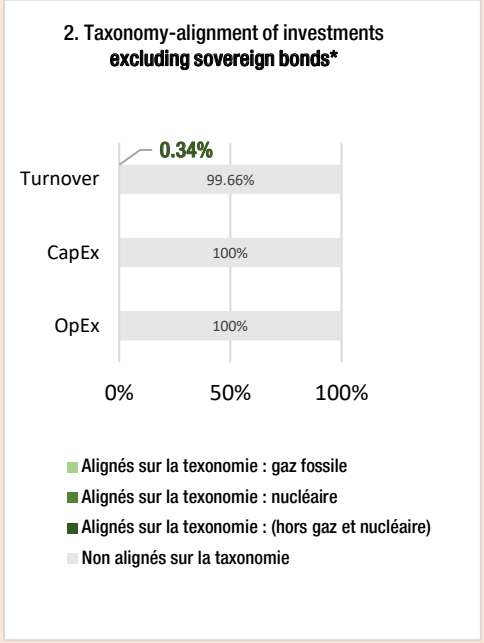
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

The graphs below show in green the percentage of investments that were 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.





This graph represents 53% of the total investments.

**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.***

[5] Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of investments made in transitional and enabling activities?

The share of investments made in transitional and enabling activities are :
0,19% of enabling activities investments : portion of companies' aligned revenue from activities that enable other activities to reduce their CO2 emissions.
0,00% of transition activities investments : portion of companies' aligned revenue from activities that contribute to the transition towards a net zero carbon economy by 2050.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Although a minimum percentage of sustainable investments with an environmental objective was not in place in 2022, as of 30/12/2022, 12.9% of the portfolio's net assets was invested in companies aligned with environmentally oriented SDGs.



What was the share of socially sustainable investments?

Although a minimum percentage of sustainable investments with a social objective was not in place in 2022, as of 30/12/2022, 18.0% of the portfolio's net assets was invested in companies aligned with socially oriented SDGs.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include derivatives or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-Fund.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. The investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The below listed actions were conducted at Carmignac in 2022 in order to support the investment process in meeting environnemental /social characteristics :

Pillar 1: ESG Integration

- Addition of supplementary Social indicators (employee and consumer satisfaction data) in the proprietary START ESG scoring process informing analysts of material aspects that can affect the investment rationale.
- Improved tracking capacity of Green, Social, Sustainability, and Sustainability linked bonds to help monitor and produce future reporting in the Global Portfolio Monitoring system, a portfolio managers dashboard of the funds positions.
- The addition of the proprietary sovereign ESG scoring models (Impact and Global) into the START interface enhancing the efficiency and knowledge base for the portfolio management team.
- Integration of Principal Adverse Impacts monitoring and initiation of a policy to integrate this information of Environmental, Social and Human rights indicators into the investment rational.
- Increased automated monitoring of the universe reduction process.
- Addition into the START proprietary ESG system of UN Sustainable Development Goals alignment mapping measured in % revenues for each company where there are ties of business activities directly related to the nine SDGs we chose and being investable.
- Weekly monitoring of the minimum % of Sustainable Investments by Investment Teams

Pillar 2: Exclusions

- Automation of the quarterly review process of the list to identify companies that would be subject to the sector or controversy hard exclusions and the universe reduction process if relevant.

Pillar 3: Voting and Engagement

- Introduction of a 'key vote' approach to prioritise companies that are identified for more focused voting recommendations and potential engagements related to vote decision, in particular "Say on climate" votes.
- Launch of quarterly Stewardship newsletters to showcase publicly how we promote active ownership.
- Continuation of our quarterly corporate engagement plan for which close to 58% were related to either Environmental or Social or Governance thematic-related issues.

More specifically regarding engagements, our fiduciary responsibility involves the full exercise of our rights as shareholders and engagement with the companies in which we are invested. Dialogue is maintained by financial analysts, portfolio managers and ESG team. We believe that our engagement leads to a better understanding of how companies manage their extra-financial risks and significantly improve their ESG profile while delivering long-term value creation for our clients, society and the environment. Our engagement may concern one of five considerations: 1) ESG risks, 2) an ESG theme, 3) a desired impact, 4) controversial behaviour, or 5) a voting decision at a General Meeting. Carmignac may collaborate with other shareholders and bondholders when doing so would help influence the actions and governance of companies held in the portfolio. In order to ensure that the company correctly identifies, foresees and manages any potential or confirmed conflict of interest situation, Carmignac has put in place and maintains policies and guidelines. For more information on our engagement policies, please visit the website.

In 2022, we engaged with 81 companies on ESG specific topics at Carmignac level, and with 8 companies in this particular Sub-Fund.

For example, we engaged with Dabur India in August 2022, before casting our vote at its Annual General Meeting (AGM). We reached out to the company to seek clarifications on its executive remuneration plan. The company's explanation led to a vote of support for the two remuneration resolutions on the agenda of the AGM. However, we cast a vote against one family representative sitting on the board of the company to signal our concerns around the low level of board independence. Following our vote, we engaged with the company in September 2022 to provide feedback on these two topics.

Regarding executive remuneration, we asked for more transparency on the long-term incentive grants as well as more clarity around the various elements of the pay package. We highlighted to the company our expectation to see a clear link between the remuneration levels and the performance. On board independence, the slow refreshment of the board means that only 29% of the board was considered independent at the date of the AGM. The company acknowledged our comments and explained that

it is in the process of refreshing the board but that these changes take time. Lastly, while we welcomed their ambitious carbon neutrality target by 2040, we asked for a roadmap in next year's reporting. Following the call and after reviewing the case with the lead investment analyst, we decided to downgrade the company's governance rating as well as its overall rating in our internal proprietary ESG scoring tool, START. We will continue to monitor the evolution of the company's practices, especially around transparency and reporting.



How did this financial product perform compared to the reference benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO PATRIMOINE EUROPE **Legal entity identifier:** 549300RXB1M2U1XEC704

Environmental and/or social characteristics

1. Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ 2. It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 10 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

During the 2022 period, the minimum proportion of sustainable investment was 10% and will remain at 10% in 2023. Then, the minimum levels of sustainable investments with environmental and social objectives will respectively be 1% and 3% of the Sub-Fund's net assets, a limit which will be applied in regulation from 1 January 2023.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund has promoted environmental and social characteristics by applying a best-in-universe approach to invest in a sustainable manner, combining a four-pillar strategy: 1) ESG integration, 2) Negative screening, 3) Positive screening, 4) Active Stewardship. Secondly, it has contributes positively to the environment through investments leading to climate change mitigation and adaptation in addition to specific carbon emissions targets and partially contributes positively to the environment and society through aUN SDGs approach.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

In addition, the Sub-fund has aimed in the equity and corporate bond part of the portfolio to achieve carbon emissions 30% lower than its designated composite reference indicator (STOXX 600 Europe, reinvested net dividends, and ICE BofA All Maturity All Euro Government, with the exclusion of ESTR capitalised), general market index, measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

No breach of environmental and social characteristics promoted have been identified during the year.

- ***How did the sustainability indicators perform?***

This Sub-Fund has used the following sustainability indicators of its four pillar approach to measure the attainment of each of the environmental or social characteristics promoted :

1) The coverage rate of ESG analysis: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. As of 30/12/2022, the coverage rate of ESG analysis was 96.13% of issuers.

2) The amount the universe is reduced by (minimum 20% for the equities and corporate bonds section of the portfolio): Negative screening and exclusions of unsustainable activities and practices reflected in low ESG scores from START, MSCI and or ISS scores have been performed based on following indicators: (a) practices that are harmful to society and the environment, (b) controversies against the OECD business guidelines and UN Global compact principles, (c) controversial weapons (d) coal mining activity, (d) power companies that have not Paris alignment objectives in place, (e) companies involved in tobacco production, (f) companies involved in adult entertainment. Extended exclusions include the oil and gas, conventional weapons, gambling and alcohol sectors. As of 30/12/2022, the universe was reduced by 71.52% (for the equity section) and 28.75% (for the corporate bonds section) of the portfolio.

3) Positive screening: the Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that derive at least 50% of their revenue from goods and services in relation to business activities which align positively with one of the 9 out of 17 United Nations Sustainable Development Goals. As of 30/12/2022, 36.7% of the Sub-Fund's net assets were invested according to this positive screening.

4) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies have been measured by following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings). In 2022, we engaged with 81 companies at Carmignac level, and 9 companies at Carmignac Portfolio Patrimoine Europe level.

The Sub-Fund's equity and corporate bonds' part of the portfolio aims to have a carbon footprint (measured by carbon intensity) at least 30% lower than its reference indicator's. At 30 December 2022, the carbon dioxide emissions of the Carmignac Portfolio Patrimoine Europe portfolio (measured tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol) was 73.4% lower than those of its reference indicator (STOXX 600 Europe, reinvested net dividends, and ICE BofA All Maturity All Euro Government, with the exclusion of ESTR capitalised).

In addition, Principal Adverse Impact (PAI) monitoring : Sub-Fund has applied the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators have been monitored to show the impact of such sustainable investments against these indicators : Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap

(optional choice), Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio. Sovereign bond issuers are monitored for Social violations and GHG intensity indicators.

Please find below the performance of the principal adverse impacts indicators for the year 2022, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Sub-Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	**1752,5**	44%
GHG Scope 2	Scope 2 GHG emissions	**1777,5**	44%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	**88480**	44%
Total GHG	Total GHG emissions	**92010**	44%
Carbon footprint	Carbon footprint	**120,5825**	44%
GHG intensity	GHG intensity of investee companies	**720,9475**	44%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	**1%**	44%
Non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**58%**	44%
Non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**20%**	44%
Energy consumptionintensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	**0,13**	44%
Energy consumption intensity - NACE SectorA	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A(Agriculture, forestry and fishing)	**N/A**	44%
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	**N/A**	44%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	**0,1425**	44%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	**1,6225**	44%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	**N/A**	44%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	**N/A**	44%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**0,06**	44%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	**0,12**	44%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	**N/A**	44%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**0%**	44%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**25,28**	44%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**0,17**	44%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	**415,865**	44%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**0%**	44%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**11%**	44%

Gender pay gap	Average unadjusted gender pay gap of investee companies	**87%**	44%
Board gender diversity	Average ratio of female to male board members in investee companies	**37%**	44%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0%**	44%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	**63,6**	44%

…and compared to previous periods?

N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that derive at least 50% of their revenue from goods and services in relation to business activities which align positively with one of the following 9 out of 17 United Nations Sustainable Development Goals ("the Sustainable Development Goals") selected for this Sub-Fund: (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities (12) Responsible Consumption and Production. For further information on the United Nations Sustainable Development Goals, please refer to https://sdgs.un.org/goals.

A company is considered 'aligned' when over 50% of their revenues come from activities which are deemed to contribute to one of the aforementioned nine UN SDGs. These 50% thresholds represent a significant intentionality of the company in regards to the contributing activity and its plans for growth.

In order to determine which companies are aligned, we have identified a robust business classification system and mapped 1700 different business activities. In addition, we have used the SDG Compass, a resource created by GRI, the UN Global Compact and the World Business Council for Sustainable Development to identify business activities which contributed to each SDG. In addition, we created Carmignac 'investable themes' based upon the business activities. Based on these themes, we have filtered through each business activity in the classification system, aligning the appropriate business activities with Carmignac's 'investable themes' and using the SDG targets to verify suitability. This was reviewed by members of the Responsible Investment (RI) and Investment team. Once the the 50% revenue threshold is met, the full weight of the holding is considered aligned.

As of 30/12/2022, the Sub-Fund had 36.7% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

All of the Sub-Fund's investments (not only the sustainable investments) were examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy screening. More precisely, the investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Additionally, the Sub-Fund ensures that such activities do not significantly harm the environmental objectives.

Controversial behaviours engagement is aimed at eliminating a company's breach of the UNGC and/ or OECD Guidelines for Multinational Enterprises and installing proper management systems to prevent such a breach from recurring. If engagement is unsuccessful, the company is considered for exclusion. Enhanced engagement cases are selected quarterly depending on the need for a follow-up. Engagement focus can differ between various investment exposures.

How were the indicators for adverse impacts on sustainability factors taken into account?

According to Carmignac approach defined, the Principal Adverse Impacts indicators have been monitored on a quarterly basis. Adverse impacts are identified for their degree of severity. After internal discussion an action plan is established including a timeline for execution. Company dialogue is usually the preferred course of action to influence the company's mitigation of adverse impacts, in which case the company engagement is included in the quarterly Carmignac Engagement plan according to the Carmignac Shareholder Engagement policy. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

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

Carmignac applies a controversy screening process on OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights for all its investments across all Sub-funds.

Carmignac acts in accordance with the United Nations Global Compact (UNGC) principles, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises to assess companies' norms, including but not limited to human rights abuses, labour laws and standard climate related practices.

This Sub-Fund applies a controversy screening process for all of its investments. Companies that have committed significant controversies against the environment, human rights and international labour laws to name the key infractions are excluded. This screening process bases the indentification of controversies on the OECD Business Guidelines and UN Global compact principles and is commonly called norms-based screening, integrating a restrictive screening monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.

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 Union criteria.

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

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

How did this financial product consider principal adverse impacts on sustainability factors?

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 16 mandatory and 2 optional environmental and social indicators will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling, Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio. In addition and where applicable, sovereign bond indictators: social violence and GHG intensity can also be monitored.

As part of its PAI strategy, Carmignac identifies companies that underperform the benchmark in terms of PAI Indicators. Our third party data provider Impact Cubed enables us to monitor the impact of Carmignac Portfolio Patrimoine Europe for each PAI.

Identifying outliers for each PAI indicator enables us to engage with companies in order to ensure they are committed to reducing their impact. We identified that Teva Pharmaceutical is one of the main contributors to the underperformance of Carmignac Portfolio Patrimoine Europe for the board gender diversity PAI indicator.

We have regularly engaged with Teva Pharmaceutical in 2022, especially given their involvement in industry-wide controversies. In October 2022, we discussed the Company's recent settlement in relation to the industry-wide opioid issue for an amount of over USD 4 billion to be paid over a 13-year period. Regarding its involvement in controversies, we discussed the material impact these issues have on the Company's reputation and financials as well as our expectations around the management of controversies. We also encouraged the company to engage with third party ESG rating agencies to ensure the agencies' assessment and analysis correctly reflect the nature of the controversies and the Company's actions to resolve them.

The identification of this outlier will enable us to engage with the company on the PAI identified in order to make sure that appropriate measure are being implemented.

What were the top investments of this financial product?

Please find below the average top investments based on 12 month end data for 2022, for the equity and corporate bonds sections of the portfolio :

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Larger investments	Sector	% Assets	Country
NOVO NORDISK AS	Health Care	2.84%	Denmark
SAP SE	Information Technology	2.04%	Germany
PROSUS NV 2.78% 19/10/2033	Communication Services	2.03%	Netherlands
GERMANY I/L 0.10% 15/04/2026	Government Bonds	1.85%	Germany
BELGIUM ZC 22/10/2031	Government Bonds	1.67%	Belgium
ARGENX SE	Health Care	1.46%	Belgium
ASML HOLDINGS	Information Technology	1.36%	Netherlands
ROCHE HOLDING	Health Care	1.28%	Switzerland
SCHNEIDER ELECTRIC SA	Industrials	1.27%	France
FRANCE I/L 0.10% 01/03/2025	Government Bonds	1.25%	France
ORPEA SA 0.38% 17/05/2027	Health Care	1.24%	France
PUMA	Consumer Discretionary	1.22%	Germany
AMADEUS IT HLDG SA	Information Technology	1.20%	Spain
GENMAB AS	Health Care	1.05%	Denmark
ASSA ABLOY	Industrials	1.04%	Sweden

What was the proportion of sustainability-related investments?

As of 30/12/2022, the Sub-Fund had 36.7% of the portfolio's net assets invested in sustainable investments as per our definition above mentioned.

What was the asset allocation?

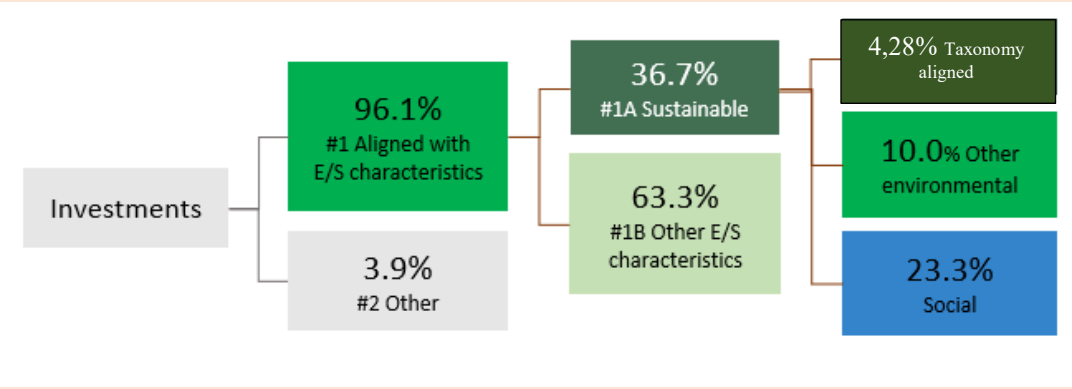
Asset allocation describes the share of investments in specific assets.

A minimum proportion of 90% of the investments of this Sub-Fund is used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy. As of 30/12/2022, 96.1% of issuers have been covered by athe ESG analysis thus 96.1% of issuers were aligned with these E/S characteristics.

The Sub-Fund makes sustainable investments whereby a minimum of 10% of the Sub-Fund's net assets are invested in shares of companies that derive at least 50% of their revenue from goods and services in relation to business activities which align positively with one of the 9 out of 17 United Nations Sustainable Development Goals ("the Sustainable Development Goals"). Outside the 50% minimum sustainable investments, investments may be made in companies that have less than 50% reveune alignement or no alignement with the one of the UN SDGs. As of 30/12/2022, this positive screening has been applied and 36.7% of the Sub-Fund's net assets were invested in shares of companies that derive at least 50% of their revenue from goods and services in relation to business activities which align positively with one of the 9 out of 17 United Nations Sustainable Development Goals.

In addition, the minimum levels of sustainable investments with environmental and social objectives will be respectively 1% and 3% of the Sub-Fund's net assets and applied from 1 January 2023. As of 30/12/2022, 10.0% of the Sub-Fund's net assets were invested in sustainable investments with environmental objectives, and 23.3% in sustainable investment with social objectives.

The #2 Other investment (in addition to cash and derivatives which may be used for hedging purposes, if applicable) are equity, corporate bonds or sovereign bonds investments which are made strictly in accordance with the Sub-Fund's investment strategy. These instruments are not used to achieve the environmental or social characteristics promoted by the Sub-Fund and may not have been covered by ESG analysis.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
-The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made?***

Please find below the average top sectors based on 12 month end data for 2022 for the equity section of the portfolio :

Larger economic sectors	% Assets
Health Care	33.1%
Industry	18.1%
Information Technology	16.6%
Consumer Discretionary	12.4%
Communication Services	7.7%
Consumer Staples	6.4%
Finance	3.7%
Utilities	3.5%
Materials	1.0%

Please find below the average top sectors based on 12 month end data for 2022 for the corportae bonds section of the portfolio :

Larger economic sectors	% Assets
Communication Services	29.74%
Health Care	29.41%
Financials	14.23%
Consumer Discretionary	10.40%
Real Estate	6.60%
Industrials	5.16%
Information Technology	2.72%
Utilities	1.75%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

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

As of 30/12/2022, 4,28% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

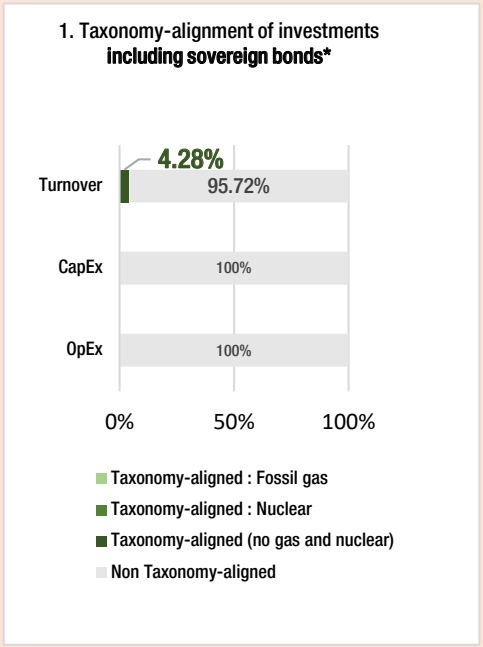
Did the financial product invest in fossil gas and/or nuclear energy related activties complying with the EU Taxonomy[12]?

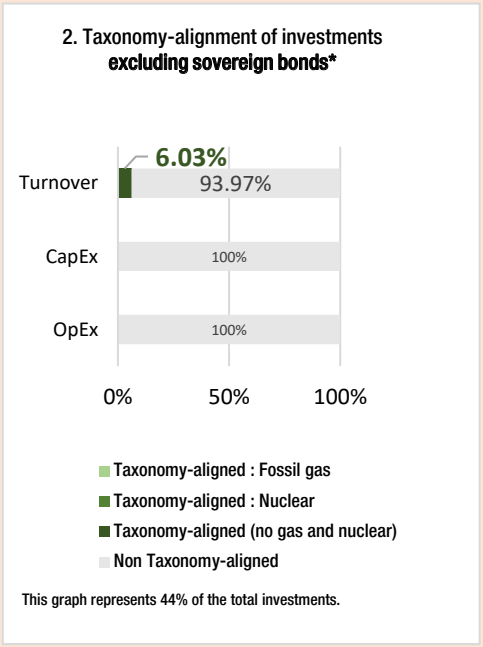
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

The graphs below show in green the percentage of investments that were 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.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.***

[12] Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of investments made in transitional and enabling activities?

Not Applicable

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not Applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

As of 30/12/2022, 10.0% of the Sub-Fund's net assets were invested in sustainable investments with environmental objectives not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

In addition, the minimum levels of sustainable investments with social objectives will be 3% of the Sub-Fund's net assets and applied from 1 January 2023. On the 30/12/2022, 23.3% of the Sub-Fund's net assets were invested in sustainable investments with social objectives.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The remaining portion of the portfolio (outside the minimum proportion of 90%) may also promote environmental and social characteristics but are not systematically covered by ESG analysis. Such assets may include derivatives instruments or securities that have been subject to an initial public offering, the ESG analysis of which may be carried out after the acquisition of said financial instrument by the Sub-Fund.

At issuer level (for equities and corporate bonds), non sustainable assets are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. The investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The below listed actions were conducted at Carmignac in 2022 in order to support the investment process in meeting environnemental /social characteristics :

Pillar 1: ESG Integration

- Addition of supplementary Social indicators (employee and consumer satisfaction data) in the proprietary START ESG scoring process informing analysts of material aspects that can affect the investment rational.
- Improved tracking capacity of Green, Social, Sustainability, and Sustainability linked bonds to help monitor and produce future reporting in the Global Portfolio Monitoring system, a portfolio managers dashboard of the funds positions.
- The addition of the proprietary sovereign ESG scoring models (Impact and Global) into the START interface enhancing the efficiency and knowledge base for the portfolio management team.

- Integration of Principal Adverse Impacts monitoring and initiation of a policy to integrate this information of Environmental, Social and Human rights indicators into the investment rational.
- Increased automated monitoring of the universe reduction process.
- Addition into the START proprietary ESG system of UN Sustainable Development Goals alignment mapping measured in % revenues for each company where there are ties of business activities directly related to the nine SDGs we chose and being investable.
- Weekly monitoring of the minimum % of Sustainable Investments shared by Investment Teams.

Pillar 2: Exclusions

- Automation of the quarterly review process of the list to identify companies that would be subject to the sector or controversy hard exclusions and the universe reduction process if relevant.

Pillar 3: Voting and Engagement

- Introduction of a 'key vote' approach to prioritise companies that are identified for more focused voting recommendations and potential engagements related to vote decision, in particular "Say on climate" votes.
- Launch of quarterly Stewardship newsletters to showcase publicly how we promote active ownership.
-
- Continuation of our quarterly corporate engagement plan for which close to 58% were related to either Environmental or Social or Governance thematic-related issues.

More specifically regarding engagements, our fiduciary responsibility involves the full exercise of our rights as shareholders and engagement with the companies in which we are invested. Dialogue is maintained by financial analysts, portfolio managers and ESG team. We believe that our engagement leads to a better understanding of how companies manage their extra-financial risks and significantly improve their ESG profile while delivering long-term value creation for our clients, society and the environment. Our engagement may concern one of five considerations: 1) ESG risks, 2) an ESG theme, 3) a desired impact, 4) controversial behaviour, or 5) a voting decision at a General Meeting. Carmignac may collaborate with other shareholders and bondholders when doing so would help influence the actions and governance of companies held in the portfolio. In order to ensure that the company correctly identifies, foresees and manages any potential or confirmed conflict of interest situation, Carmignac has put in place and maintains policies and guidelines. For more information on our engagement policies, please visit the website.

In 2022, we engaged with 81 companies on ESG specific topics at Carmignac level, and with 9 companies in this particular Sub-Fund.

For example, we engaged with Experian. In line with our engagement policy, we noted the Company's involvement in important controversies on the topic of cybersecurity. We were also interested in the Company's approach to data accuracy as this constitutes a material risk given its activity as a credit bureau. In November 2022, we held a meeting with the Company's investor relations representatives to discuss about these two main subjects. This engagement call gave us an insight into the Company's practices as well as a better understanding of the policies and processes it has put in place to manage and mitigate those material risks. We will keep monitoring the Company's actions on these two topics. We decided not to change the Company's rating under our proprietary ESG assessment system START as we deemed the overall rating remains appropriate.



How did this financial product perform compared to the reference benchmark?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not Applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not Applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not Applicable

- ***How did this financial product perform compared with the broad market index?***

  Not Applicable

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: CARMIGNAC SÉCURITÉ
Identificativo della persona giuridica: 969500EBHL0T9UB25E97

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.

Questo prodotto finanziario ha un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** _____%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) % di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Nel 2022 la percentuale minima di investimenti che promuovono caratteristiche A/S era pari allo 0% e raggiungerà il 10% nel 2023. I livelli minimi di investimenti che promuovono caratteristiche A/S, con obiettivi ambientali e sociali sono rispettivamente pari all'1% e al 3% del patrimonio netto del fondo; tale limite sarà applicato a partire dal 1° gennaio 2023.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il fondo applica approcci "best-in-universe" (identificazione delle società che offrono attività sostenibili) e "best-effort" (approccio che consiste nel prediligere gli emittenti che danno prova di un miglioramento o di buone prospettive per le loro prassi e performance ESG nel tempo) al fine di investire in modo sostenibile coniugando una strategia basata su quattro pilastri: 1) integrazione ESG, 2) screening negativo e 3) responsabilità e impegno dei detentori di obbligazioni per promuovere le caratteristiche ambientali e sociali.

Nel corso dell'anno non sono state riscontrate carenze relative alle caratteristiche ambientali e sociali promosse.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Il fondo utilizza gli indicatori di sostenibilità seguenti nel suo approccio a quattro pilastri per misurare il rispetto di ciascuna delle caratteristiche ambientali o sociali che promuove:

1) **Tasso di copertura dell'analisi ESG:** L'integrazione ESG, attraverso il rating ESG effettuato tramite la piattaforma ESG proprietaria "START" (*System for Tracking and Analysis of a Responsible Trajectory*) di Carmignac, si applica ad almeno il 90% dei titoli. Al 30/12/2022, il tasso di copertura dell'analisi ESG era pari al 94,71% del portafoglio (esclusi liquidità e derivati).

2) **Riduzione dell'universo d'investimento**: uno screening negativo e delle esclusioni di attività e di prassi non sostenibili, rispecchiate dai bassi punteggi ESG di START, MSCI e ISS ("Institutional Shareholder Services") ESG, che sono effettuati sulla base degli indicatori seguenti: (a) prassi che arrecano danno alla società e all'ambiente, (b) controversie riguardanti le linee guida OCSE e i principi del Global Compact delle Nazioni Unite, (c) armi controverse, (d) produzione di carbone termico, (e) produttori di energia che non hanno previsto alcun obiettivo d'allineamento all'Accordo di Parigi, (f) imprese coinvolte nella produzione di tabacco, (g) imprese coinvolte nell'intrattenimento per adulti. Al 30/12/2022, l'universo di investimento del portafoglio era stato ridotto del 21,77%.

3) **Responsabilità e impegno dei detentori di obbligazioni:** gli impegni ambientali e sociali delle imprese che determinano il miglioramento delle politiche di sviluppo sostenibile delle imprese sono misurati dagli indicatori seguenti: (a) livello di impegno attivo e politiche di voto, (b) numero di attività di impegno, (c) percentuale di voto, e (d) partecipazione alle assemblee degli azionisti (o di detentori di obbligazioni). Per l'anno 2022, abbiamo interagito con 81 società a livello di Carmignac e 12 società a livello di Carmignac Sécurité.

   Inoltre, per quanto riguarda il monitoraggio dei principali effetti negativi (*principal adverse impacts*– "PAI"), e conformemente all'allegato 1 del regolamento delegato (UE) 2022/1288, il fondo segue 16 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Di seguito si riporta l'andamento degli indicatori dei principali effetti negativi per il 2022, sulla base della media dei dati di fine trimestre, per le componenti azionaria e obbligazioni societarie del portafoglio:

Indicatori PAI	Sulla base dei dati forniti dalla società	Fondo	Copertura
Scope 1 del protocollo GHG	Emissioni di GHG Scope 1	**663.505**	34%
Scope 2 del protocollo GHG	Emissioni di GHG Scope 2	**60.335**	34%
Scope 3 del protocollo GHG	A decorrere dal 1° gennaio 2023, emissioni di GHG Scope 3	**2.563.660**	34%
Totale GHG	Emissioni totali di GHG	**3.287.500**	34%
Impronta di carbonio	Impronta di carbonio	**541,6375**	34%

Livello di intensità di GHG	Intensità di GHG delle società	**1169,14**	34%
Esposizione a imprese attive nel settore dei combustibili fossili	Quota degli investimenti in imprese attive nel settore dei combustibili fossili	**11%**	34%
Quota di consumo di energia non rinnovabile	Quota di consumo di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile, espressa in percentuale	**67%**	34%
Quota di produzione di energia non rinnovabile	Quota di produzione di energia non rinnovabile delle imprese, proveniente da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile, espressa in percentuale	**55%**	0%
Intensità di consumo energetico per settore ad alto impatto climatico - Totale	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - Totale	**1,41**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore A	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore A (Agricoltura, silvicoltura e pesca)	**N/A**	0%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore B	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore B (Attività estrattiva)	**1,5025**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore C	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore C (Attività manifatturiere)	**0,465**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore D	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore D (Fornitura di energia elettrica, gas, vapore e aria condizionata)	**10,9625**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore E	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore E (Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento)	**N/A**	0%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore F	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Costruzioni)	**0,45**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore G	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore G (Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli)	**0,0175**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore H	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore F (Trasporto e magazzinaggio)	**1,515**	34%
Intensità di consumo energetico per settore ad alto impatto climatico - NACE: settore L	Consumo energetico in GWh per milione di EUR di entrate delle imprese, per settore ad alto impatto climatico - NACE: settore L (Attività immobiliari)	**0,63**	34%
Biodiversità	Quota di investimenti effettuati in imprese i cui siti/operazioni sono situati in aree sensibili dal punto di vista della biodiversità e le cui attività hanno un impatto negativo su tali aree	**0%**	34%
Emissioni legate all'acqua	Tonnellate di emissioni in acqua generate dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**536,4**	34%
Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese per milione di EUR investito (valore espresso come media ponderata)	**1,2425**	34%
Uso e riciclo dell'acqua	Quantità media di acqua consumata e recuperata dalle imprese (in metri cubi) per milione di EUR di entrate	**8098,2225**	34%
Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo	Quota di investimenti nelle imprese che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**2%**	34%

economico (OCSE) destinate alle imprese multinazionali			
Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese che non dispongono di politiche per controllare il rispetto dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali, o di meccanismi di trattamento dei reclami/delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	**12%**	34%
Divario retributivo di genere non corretto	Divario retributivo di genere medio non corretto nelle imprese	**86%**	34%
Diversità di genere nel consiglio di amministrazione	Rapporto medio tra donne e uomini nei consigli di amministrazione delle società	**35%**	34%
Esposizione ad armi controverse	Quota di investimenti nelle imprese coinvolte nella fabbricazione o nella vendita di armi controverse	**0%**	34%
Eccesso di divario retributivo a favore degli amministratori delegati	Rapporto medio, all'interno delle imprese beneficiarie degli investimenti, tra la retribuzione totale annua della persona meglio remunerata e la retribuzione totale annua mediana di tutti i dipendenti (esclusa la persona meglio remunerata).	**72,4**	34%

...e rispetto ai periodi precedenti?

Non pertinente.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non pertinente.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non pertinente.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non pertinente.

Gli investimenti sostenibili sono allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Non pertinente

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La società di gestione si è impegnata ad applicare le norme tecniche di regolamentazione (denominate "NTR") di cui all'allegato 1 del regolamento delegato (UE) 2022/1288 che qualificano 16 indicatori ambientali e sociali obbligatori, e 2 indicatori facoltativi per dimostrare l'impatto degli investimenti sostenibili rispetto a questi indicatori: emissioni di gas a effetto serra (GHG), impronta di carbonio, intensità di GHG delle imprese beneficiarie degli investimenti, esposizione a imprese attive nel settore dei combustibili fossili, quota di consumo e produzione di energia non rinnovabile, intensità di consumo energetico per settore ad alto impatto climatico, attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità, emissioni in acqua, rapporto tra rifiuti pericolosi e rifiuti radioattivi, uso e riciclaggio dell'acqua (scelta facoltativa), violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali, mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, divario retributivo di genere non corretto, diversità di genere nel consiglio, esposizione ad armi controverse, eccesso di divario retributivo a favore dell'amministratore delegato (scelta facoltativa). Gli emittenti sovrani sono soggetti a un monitoraggio delle violazioni sociali della loro intensità di GHG.

Nell'ambito della sua strategia PAI, Carmignac identifica le società che hanno sottoperformato il benchmark in termini di indicatori PAI. Il nostro fornitore di dati terzo, Impact Cubed, ci permette di monitorare l'impatto dei nostri fondi per ogni indicatore PAI.
L'identificazione delle aziende che hanno sottoperformato l'indice in termini di PAI ci permette di instaurare un dialogo per garantire che si impegnino a ridurre il proprio impatto. Abbiamo identificato Ryanair come uno dei principali responsabili della sottoperformance di Carmignac Sécurité per

quanto riguarda l'intensità del consumo di energia. Di conseguenza, abbiamo incontrato la società nel 2022. Poiché Ryanair è una delle aziende maggiormente inquinanti all'interno del nostro portafoglio, era importante parlare degli impegni in ambito climatico, ma anche di qualsiasi altro sviluppo in campo ESG. La compagnia aerea ha recentemente annunciato il suo piano d'azione per l'azzeramento delle emissioni entro il 2050 che, dopo la nostra discussione, sembra particolarmente concreto. Le iniziative di decarbonizzazione dell'azienda saranno graduali, ma i piani a breve e medio termine sono in linea con le nostre aspettative.
Continueremo a dialogare con Ryanair per monitorare questo PAI in particolare e faremo in modo che vengano attuate misure adeguate.

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento , ossia:

Di seguito si riportano i 15 investimenti principali del 2022, sulla base della media dei dati di fine mese, per la componente obbligazionaria del portafoglio:

Investimenti di maggiore entità	Settore	% di attivi	Paese
ITALY TV 15/04/2025	Titoli di Stato	1,21%	Italia
ATLANTIA SPA 1.88% 12/11/2027	Titoli di Stato	0,73%	Italia
GREECE 3.45% 02/04/2024	Titoli di Stato	0,68%	Grecia
ITALY TV 28/06/2026	Titoli di Stato	0,59%	Italia
GREECE ZC 12/02/2026	Titoli di Stato	0,57%	Grecia
SAGAX AB 2.00% 17/10/2023	Industria	0,56%	Svezia
ENEL SPA 8.75% 24/09/2023		0,55%	Italia
ATHENE GLOBAL 1.88% 23/06/2023	Beni voluttuari	0,50%	USA
REPSOL INTERN 2.50% 22/12/2026	Finanza	0,50%	Spagna
ITALY 0.00% 01/08/2026	Energia	0,49%	Italia
RCI BANQUE SA 0.75% 10/01/2023	Titoli di Stato	0,48%	Francia
ENI SPA 2.62% 13/10/2025	Titoli di Stato	0,47%	Italia
REPSOL INTERN 3.75% 11/03/2026	Titoli di Stato	0,46%	Spagna
CGMSE 2017-1X A1R	Energia	0,45%	Irlanda
BLACKSTONE PR 0.50% 12/06/2023	Titoli di Stato Immobiliare	0,44%	USA

Qual è stata la quota degli investimenti in materia di sostenibilità?

Qual è stata l'allocazione degli attivi?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

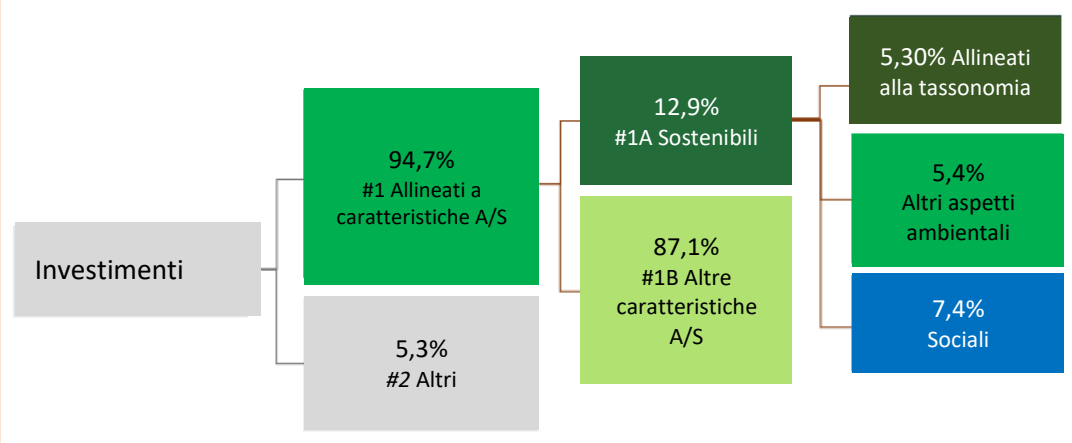
Almeno il 90% degli investimenti del fondo è concepito per soddisfare le caratteristiche ambientali o sociali che promuove, conformemente agli elementi vincolanti della strategia di investimento. Al 30/12/2022, il tasso di copertura dell'analisi ESG era pari al 94,7% del portafoglio (esclusi liquidità e derivati).

Quota minima di investimenti sostenibili:
Nel 2022 la quota minima di investimenti che promuovono caratteristiche A/S era dello 0% e nel 2023 raggiungerà il 10% del patrimonio netto tramite l'investimento in azioni di società (che generano almeno il 50% dei ricavi da beni e servizi legati ad attività commerciali che si allineano positivamente ad almeno uno dei 9 obiettivi di investimento sostenibile ("SDG") delle Nazioni Unite, su un totale di 17). Al 30 dicembre 2022, il 12,9% del patrimonio netto del fondo era costituito da investimenti sostenibili.

A partire dal 1° gennaio 2023, i livelli minimi di investimenti che promuovono caratteristiche A/S, con obiettivi ambientali e sociali sono rispettivamente pari all'1% e al 3% del patrimonio netto del fondo. Al 30 dicembre 2022, tali quote erano pari rispettivamente al 5,4% e al 7,4% del patrimonio netto del fondo.

Quota di #2 Altri investimenti:
Oltre alla liquidità e ai derivati (che possono essere utilizzati con finalità di gestione efficace del portafoglio e/o di copertura e/o esposizione, a seconda dei casi), questa categoria comprende gli investimenti in obbligazioni societarie o in obbligazioni sovrane che non sono classificati come investimenti sostenibili. Si tratta di investimenti effettuati in stretta conformità con la strategia di investimento del fondo e sono finalizzati ad attuare la strategia di investimento del fondo. Tutti questi investimenti sono sottoposti a un'analisi ESG (anche attraverso il nostro modello proprietario ESG sovrano per le obbligazioni sovrane) e, per le obbligazioni societarie, a un esame delle salvaguardie minime per assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani. Questi strumenti non sono utilizzati per soddisfare le caratteristiche ambientali o sociali promosse dal fondo. Al 30 dicembre 2022, tale quota era pari al 5,3% del patrimonio del fondo.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S comprende**:
- - La sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- - La sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili

In quali settori economici sono stati effettuati gli investimenti?

Di seguito si riportano i principali settori economici in cui abbiamo realizzato investimenti nel 2022, sulla base della media dei dati di fine mese, per la componente di obbligazioni societarie del portafoglio:

Settore economico	% di attivi
Finanza	29,8%
Energia	15,6%
Impianti e servizi legati al settore Petrolio e gas	12,85%
Società integrate nel settore Petrolio e gas	2,78%
Beni voluttuari	12,6%
Industria	9,3%
Immobiliare	8,4%
Telecomunicazioni	6,8%
Servizi di pubblica utilità	5,2%
Salute	4,9%
Materiali	3,3%
Informatica	2,7%
Beni di consumo non ciclici	1,5%

*Fonti: Carmignac, al 30/12/2022

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il fondo ha un obiettivo ambientale legato agli Obiettivi di sviluppo sostenibile e non alla Tassonomia europea. Al 30/12/2022, il suo allineamento alla Tassonomia UE era del 5,30%.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Sì:

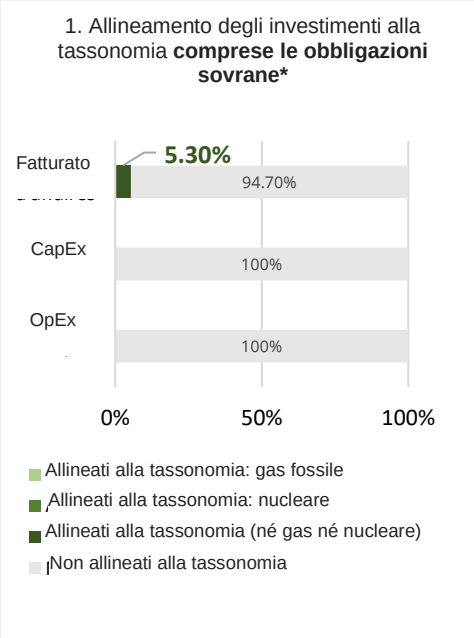
☐ Gas fossile ☐ Energia nucleare

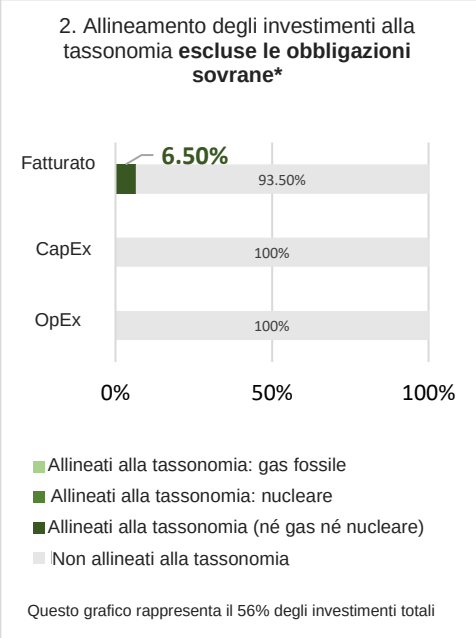
☒ No:

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra gli altri, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*
** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota degli investimenti effettuati in attività di transizione e abilitanti è pari:

- allo 0,23% degli investimenti in attività abilitanti: parte dei ricavi allineati delle imprese provenienti da attività che consentono ad altre attività di ridurre le proprie emissioni di CO^2.
- allo 0,00% degli investimenti in attività di transizione: parte dei ricavi allineati delle imprese provenienti da attività che contribuiscono alla transizione verso un'economia a zero emissioni di carbonio entro il 2050.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente alla tassonomia dell'UE.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

In attesa

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla tassonomia dell'UE?

Il livello di investimenti sostenibili con un obiettivo ambientale ma non allineati alla tassonomia dell'UE era pari al 5,4% del patrimonio netto.

Qual era la quota di investimenti socialmente sostenibili?

Il livello di investimenti sostenibili con un obiettivo sociale era pari al 7,4% del patrimonio netto.

Quali investimenti erano compresi nella categoria "Altri" e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota restante del portafoglio (ossia quella al di fuori della quota minima del 90%) può anch'essa promuovere caratteristiche ambientali e sociali, ma non è sistematicamente coperta dall'analisi ESG. Tali attivi possono comprendere titoli la cui analisi ESG può essere effettuata successivamente all'acquisizione del suddetto strumento finanziario da parte del fondo. La liquidità (e strumenti equivalenti) e i derivati (utilizzati con finalità di copertura o di esposizione) sono anch'essi inclusi in "#2 Altri".

A livello di emittenti privati, gli investimenti che non si configurano come investimenti sostenibili vengono esaminati per assicurarsi che rispettino le norme globali in materia di protezione dell'ambiente, diritti umani, standard lavorativi e lotta alla corruzione, tramite uno screening delle controversie (approccio "basato su norme"). Questi investimenti sono sottoposti a uno screening basato su salvaguardie minime, volto ad assicurare che le loro attività commerciali siano coerenti con le Linee guida dell'OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Nel 2022 Carmignac ha adottato le seguenti azioni per sostenere il processo di investimento nel rispetto delle caratteristiche ambientali e sociali:

Pilastro 1: Integrazione ESG:

- Aggiunta di ulteriori indicatori sociali (dati sulla soddisfazione dei dipendenti e dei consumatori) al processo di rating ESG esclusivo di START, per informare gli analisti sugli aspetti rilevanti che possono influire sulla tesi d'investimento.
- Miglioramento della capacità di monitoraggio di green bond, social bond, sustainable bond e obbligazioni legate alla sostenibilità per facilitare il monitoraggio e la redazione di relazioni future all'interno del sistema Global Portfolio Monitoring tramite un dashboard dei gestori di portafoglio sulle posizioni dei fondi.
- Sviluppo di modelli di rating ESG proprietari per il debito sovrano (Impact e Global) nell'interfaccia START, per migliorare l'efficienza e le conoscenze del team di gestione del portafoglio.
- Integrazione del monitoraggio dei principali effetti negativi e definizione di una politica volta ad integrare queste informazioni sugli indicatori ambientali, sociali e dei diritti umani nella logica di investimento.
- Maggiore trasparenza e monitoraggio automatizzato del processo di riduzione dell'universo.

Pilastro 2: Esclusioni

- Automatizzazione del processo di revisione trimestrale dell'elenco per identificare le società legate a controversie o che potrebbbero essere soggette a esclusioni settoriali rigide e al processo di riduzione dell'universo, se applicabile.

Pilastro 3: Voto ed engagement

- Introduzione di un approccio di "voto chiave" al fine di dare la priorità alle società identificate con l'obiettivo di fornire raccomandazioni di voto più mirate e avviare potenziali attività di engagement legate alla decisione di voto, in particolare i voti "Say on climate".
- Redazione di bollettini informativi trimestrali sulla gestione responsabile per dimostrare pubblicamente ai clienti come promuoviamo l'azionariato attivo.
- Proseguimento del nostro piano trimestrale di engagement con le aziende, di cui quasi il 58% ha riguardato questioni ambientali, sociali o di governance.

Per quanto riguarda più specificamente le attività di engagement, la nostra responsabilità fiduciaria implica il pieno esercizio dei nostri diritti di azionisti e l'engagement con le società in cui investiamo. Il dialogo è condotto dagli analisti finanziari, dai gestori di portafoglio e dal team ESG. Crediamo che le nostre attività di engagement permettano di comprendere meglio come le società gestiscono i rischi extrafinanziari e migliorano notevolmente il loro profilo ESG, garantendo al contempo una creazione di valore a lungo termine per i nostri clienti, la società e l'ambiente. Le nostre iniziative di engagement possono riguardare una delle cinque considerazioni seguenti: 1) rischi ESG, 2) un tema ESG, 3) un impatto desiderato, 4) un comportamento controverso o 5) una decisione di voto a un'assemblea generale. Carmignac può collaborare con altri azionisti e detentori di obbligazioni quando ciò permette di influenzare le azioni e la governance delle società presenti in portafoglio. Al fine di assicurare che l'azienda identifichi, preveda e gestisca adeguatamente qualsiasi situazione di conflitto di interessi potenziale o confermato, Carmignac ha implementato e mantiene aggiornate politiche e direttive. Per ulteriori informazioni sulle nostre politiche di engagement si rimanda al nostro sito web.

La nostra responsabilità fiduciaria implica il pieno esercizio dei nostri diritti di azionisti e l'engagement con le società in cui investiamo. Il dialogo è assicurato dagli analisti finanziari, dai gestori di portafoglio e dal team ESG. Crediamo che le nostre attività di engagement portino a una migliore comprensione di come le società gestiscono i rischi extrafinanziari e migliorano in misura significativa il loro profilo ESG, offrendo al contempo una creazione di valore a lungo termine per i nostri clienti, la società e l'ambiente. Le nostre attività di engagement possono essere di 5 tipi: 1) legate ai rischi ESG, 2) legate a un tema ESG, 3) legate a un impatto desiderato, 4) dovute a un comportamento controverso o 5) associate a una decisione di voto a un'Assemblea generale. Carmignac può collaborare con altri azionisti e detentori di obbligazioni quando ciò può essere vantaggioso ai fini di engagement per influenzare le azioni e la governance delle società presenti in portafoglio. Al fine di assicurare che l'azienda identifichi, anticipi e gestisca adeguatamente qualsiasi situazione di conflitto di interessi potenziale o confermato, Carmignac ha implementato e mantiene aggiornate politiche e linee guida. Per ulteriori informazioni sulle nostre politiche di engagement si rimanda al nostro sito web.

Per l'anno 2022, abbiamo interagito con 81 società a livello di Carmignac e 12 società a livello di Carmignac Sécurité.

Ad esempio, abbiamo avviato un dialogo regolare con Teva Pharmaceuticals, in particolare in ragione del suo coinvolgimento in controversie a livello settoriale. L'obiettivo del dialogo era valutare i progressi dell'azienda nella risoluzione delle controversie e trasmettere determinati messaggi. Nell'ottobre 2022 abbiamo discusso del recente accordo della società relativo al problema degli oppioidi con cui è alle prese l'intero settore, in base al quale dovrà pagare oltre 4 miliardi di dollari su un periodo di 13 anni. Abbiamo inoltre discusso l'impatto materiale di questi problemi sulla reputazione e sulle finanze dell'azienda, nonché le nostre aspettative per quanto riguarda la gestione delle controversie. Abbiamo altresì incoraggiato la società a dialogare con le agenzie di rating ESG per garantire che la valutazione rifletta accuratamente la natura delle controversie e le azioni da essa intraprese per porvi rimedio. A seguito della nostra attività di engagement l'analista di settore ha valutato il rating ESG START della società, pari a B (su una scala da A a E), ritenendolo ancora appropriato al momento attuale, pertanto non sono state apportate modifiche. Continueremo a monitorare le risposte della società alle controversie in corso e il nostro engagement con essa in qualità di investitori obbligazionari.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento sostenibile?

Non pertinente.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Per quali aspetti l'indice di riferimento differisce da un indice generale di mercato?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità volti a determinare l'allineamento dell'indice di riferimento all'obiettivo di investimento sostenibile?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non pertinente.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?

Non pertinente.

ANNEX IV (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

		Product name:	Comgest Growth Global	**Legal entity identifier:**	635400B8AYYSRLTWLG15
Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.		**Environmental and/or social characteristics**			
		Did this financial product have a sustainable investment objective?			
		☐ **Yes**		☒ **No**	
		☐	It made **sustainable investments with an environmental objective**: ___%	☒	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 40.83% of sustainable investments
The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.		☐	in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐	with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
		☐	in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
				☒	with a social objective
		☐	It made **sustainable investments with a social objective**: ___%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**
		To what extent were the environmental and/or social characteristics promoted by this financial product met?			

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The environmental and/or social characteristics promoted by the Fund were met by targeting and investing in companies with positive overall ESG quality.
To assist in selecting companies with positive overall ESG quality, the Investment Manager performed an ESG review of the market to identify and exclude companies with the poorest ESG credentials from the Fund's investable market. This resulted in a reduction of the investable market by at least 20%. The ESG review was applied to at least 90% of the Fund's investee companies.
In addition, throughout the period, the Investment Manager also applied an exclusion policy to exclude investment in: (i) companies with negative social characteristics including companies (a) manufacturing anti-personnel mines, cluster bombs, biological/chemical weapons, depleted uranium, nuclear weapons, white phosphorus, non-detectable fragments and blinding lasers (>0% of revenue), (b) producing and/or distributing conventional weapons (>10% of revenue), (c) directly manufacturing and/or distributing tobacco (>5% of revenue), and (d) with severe violations of the UN Global Compact without prospect for improvement; and (ii) companies with negative environmental characteristics including operators of thermal coal mines (>0% of revenue) and electricity producers with an energy mix exposed to coal exceeding defined relative or absolute thresholds (production or revenue based on coal equal to or exceeding 20% or electricity producers with installed capacity based on coal equal to or exceeding 5 GW), without a coal exit strategy.

In respect of sustainable investment held by the Fund, please find below the list of environmental objectives (set out in Article 9 of Regulation (EU) 202/852) and the list of social objectives to which the Fund's sustainable investments contributed:

1. Environmental objectives:

The Fund invested in sustainable investments with environmental objectives that contributed to the below objectives:

(i) climate change mitigation, and

(ii) transition to a circular economy.

2. Social objectives:

The Fund invested in sustainable investments with social objectives that contributed to the below objectives:

(i) the provision of decent working conditions (including for value chain workers),

(ii) the promotion of adequate living standards and wellbeing for end users, and

(iii) inclusive and sustainable communities and societies.

- ***How did the sustainability indicators perform?***

As at end December 2022, the Fund had attained the environmental and social characteristics promoted, including:

(i) at least 90% of the Fund's investee companies had an ESG score in the top 80% of companies rated by the Investment Manager;

(ii) none of the Fund's investee companies were engaged in excluded activities; and

(iii) 40.83% of assets qualified, in the opinion of the Investment Manager, as sustainable investments.

		● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***
		The Fund invested 40.83% of its assets in sustainable investments which contributed to the environmental objectives and social objectives listed above. ***Description of how the sustainable investments contributed to the sustainable investment objective*** The sustainable investments' contribution to the environmental and/or social objectives listed above is measured by the Investment Manager using proprietary analysis. **For the social objectives:** - **at least 25%** of the investee company's revenue was generated from business activities which contributed to one or more of the United Nations' Sustainable Development Goals (SDGs number 2, 3, 4, 6, 7, 8, 9, 11, 12 and 16)[47]. **For the environmental objectives:** - **at least 25%** of the investee company's revenue was generated from economic activities that are Taxonomy eligible; or - **at least 5%** of the investee company's revenue was generated from economic activities that are potentially[48] aligned to the Taxonomy.
Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.		● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***
		An assessment was performed to ensure that investments identified as contributing to one or more of the above environmental and/or social objectives did not significantly harm any of those objectives. This was done by assessing and monitoring the 14 mandatory principal adverse impact indicators and where possible relevant optional indicators referenced in Annex 1 of the SFDR Delegated Regulation (EU 2022/1288) and by seeking to ensure that such investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Fund committed to invest in sustainable investments starting from 2 November 2022. The Investment Manager will continue to review additional optional relevant indicators for assessing adverse impacts and will further detail its assessment methodology in the Fund's financial statements covering the year 2023.
		● *How were the indicators for adverse impacts on sustainability factors taken into account?*

[47] SDG 2 – Zero Hunger, SDG 3 – Good Health and Well-being, SDG 4 – Quality Education, SDG 6 – Clean Water and Sanitation, SDG 7 – Affordable and Clean Energy, SDG 8 – Decent Work and Economic Growth, SDG 9 – Industry, Innovation and Infrastructure, SDG 11 – Sustainable Cities and Communities, SDG 12 – Responsible Consumption and Production and SDG 16 – Peace Justice and Strong Institutions.

[48] This assessment is based on estimation and is not relying on company reported data.

		The 14 mandatory principal adverse impact indicators have been reviewed by the Investment Manager as part of its ESG assessment for sustainable investments. The Investment Manager used external data where available and also relied on a qualitative assessment using information directly from the company or its own research where quantitative data was not available.
		Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:
		To ascertain if companies were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights ('Guidelines and Principles'), the Investment Manager reviewed and assessed the results obtained from PAIs 10 (Violations of the Guidelines and Principles) and 11 (Lack of processes and compliance mechanisms to monitor compliance with Guidelines and Principles) to ensure that the Fund's sustainable investments were not in violation of the UN Guiding Principles during the reference period and to ensure they have put in place processes and compliance mechanisms to help meet the Guidelines and Principles. Where data was missing the investment teams performed their own qualitative assessment by reviewing additional information which may include the investee companies' policies and procedures, controversies flagged by third party providers, investee companies' membership of the UN Global Compact or NGO reports.
		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 Union criteria. The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities. *Any other sustainable investments must also not significantly harm any environmental or social objectives.*
		**How did this financial product consider principal adverse impacts on sustainability factors?**
		Starting from 2 November 2022, the Fund considered principal adverse impacts ("PAI") on sustainability factors by assessing and monitoring the 14 mandatory principal adverse impact indicators (PAIs) referenced in Annex 1 of the delegated regulation (EU) 2022/1288. The Investment Manager used external data where available and relied on information directly from the company or its own research and knowledge of the relevant industry or sector to assess the 14 mandatory principal adverse impacts. In order to collect and share PAI related data and information more efficiently, the Investment Manager developed an internal tool, the "PAI Dashboard", with the main purpose of providing the investment teams with instant access to all PAI related data and information on investee companies as well as information on the top 5 contributors for each PAI (aggregated at fund level) so as to enable the investment teams to easily identify companies that should be considered for engagement. The quantitative and qualitative data aggregated at Fund level guide the Investment Manager's assessment of the principal adverse impacts identified and allow it to measure and set engagement priorities and other mitigation efforts such as voting and advocacy.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments	Sector	% of assets	Country
Microsoft Corporation	Information Technology	5.82%	United States
Eli Lilly and Company	Health Care	5.82%	United States
Alphabet Inc. Class A	Communication Services	4.63%	United States
Intuit Inc.	Information Technology	4.20%	United States
Taiwan Semiconductor Manufacturing Co.	Information Technology	3.74%	Taiwan
Johnson & Johnson	Health Care	3.63%	United States
Inner Mongolia Yili Industrial Group Co., Ltd. Class A	Consumer Staples	3.37%	China
Housing Development Finance Corporation Limited	Financials	3.27%	India
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	3.22%	France
ASML Holding NV	Information Technology	3.05%	Netherlands
HOYA CORPORATION	Health Care	3.01%	Japan
L'Oreal S.A.	Consumer Staples	2.93%	France
Experian PLC	Industrials	2.82%	United Kingdom
Verisk Analytics Inc	Industrials	2.79%	United States

The top investments represent the greatest proportion of investments over the course of the period covered, calculated at appropriate intervals to be representative of that period.



What was the proportion of sustainability-related investments?

The proportion of sustainable investment was 40.83% and included 16.83% of sustainable investments with a social objective and 24% of sustainable investment with an environmental objective. Please see below the breakdown:

Breakdown of the proportion of the sustainable investments per each of environmental objectives set out in Article 9 of Regulation (EU) 2020/852 to which those investments contributed	
Environmental objective	**% of assets**
Climate change mitigation	16.83%
Climate change mitigation & transition to a circular economy	7.17%

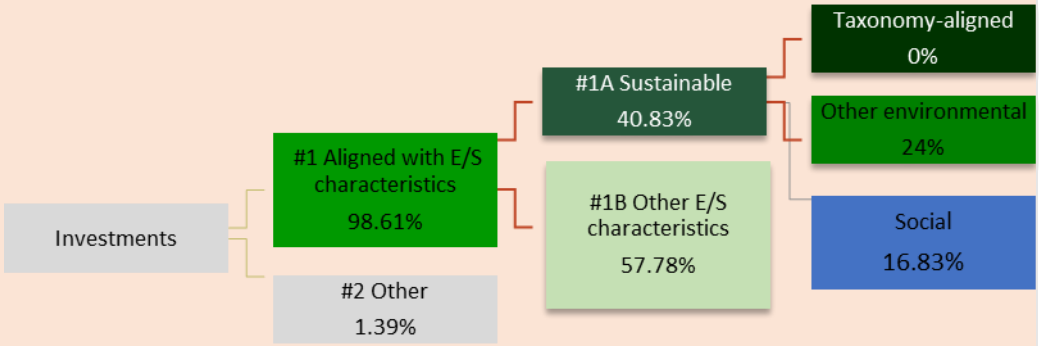
Breakdown of the proportion of the sustainable investments per each of social objectives to which those investments contributed	
Social objective	**% of assets**
Provision of decent working conditions (including for value chain workers)	5.42%
Promotion of adequate living standards and wellbeing for end users	4.92%
Inclusive and sustainable communities and societies	2.83%
Promotion of adequate living standards and wellbeing for end users & inclusive and sustainable communities and societies	3.66%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As at end of December 2022, 98.61% of the assets of the financial product were used to meet the environmental and social characteristics promoted. This included 40.83% of sustainable investments. 1.39% of assets were not aligned with the environmental or social characteristics.

The Fund was primarily invested in direct holdings of listed equities. 98.61% of the investments in listed equities were aligned with the environmental and/or social characteristics.



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

In which economic sectors were the investments made?

Sector breakdown

Sector	% of assets
Information Technology	24.33%
Health Care	22.98%
Consumer Staples	11.23%
Industrials	9.00%
Financials	8.44%

Consumer Discretionary	7.69%
Materials	7.54%
Communication Services	7.40%
Cash	1.39%

Data as of end of December. Due to rounding difference, figures may not add up to 100%

Sub-industry breakdown

Sub-industry	**% of assets**
Health Care Supplies	11.01%
Pharmaceuticals	10.96%
Semiconductors	6.49%
Research & Consulting Services	5.61%
Interactive Media & Services	5.12%
Systems Software	5.00%
Data Processing & Outsourced Services	4.27%
Industrial Gases	4.09%
Apparel Accessories & Luxury Goods	3.85%
Personal Products	3.76%
Semiconductor Equipment	3.69%
Other Diversified Financial Services	3.66%
Application Software	3.58%
Specialty Chemicals	3.45%
Packaged Foods & Meats	3.25%
Life & Health Insurance	2.63%
Interactive Home Entertainment	2.28%
Hypermarkets & Super Centers	2.17%
Financial Exchanges & Data	2.15%
Household Products	2.06%
Footwear	2.04%
Human Resource & Employment Services	1.83%
Internet & Direct Marketing Retail	1.79%
Building Products	1.55%
Cash	1.39%
Electronic Equipment & Instruments	1.30%
Life Sciences Tools & Services	1.01%

Data as of end of December. Due to rounding difference, figures may not add up to 100%

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

The percentage of investments of the Fund aligned with the EU Taxonomy is 0% of the net assets of the Fund.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[49]?

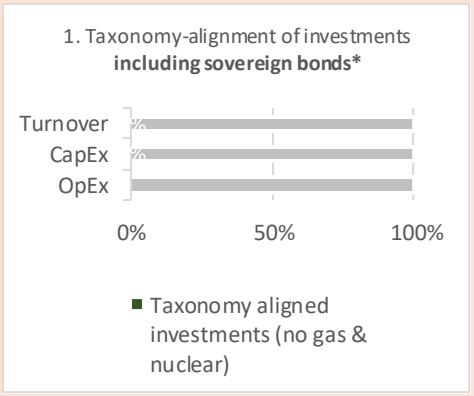
[49] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

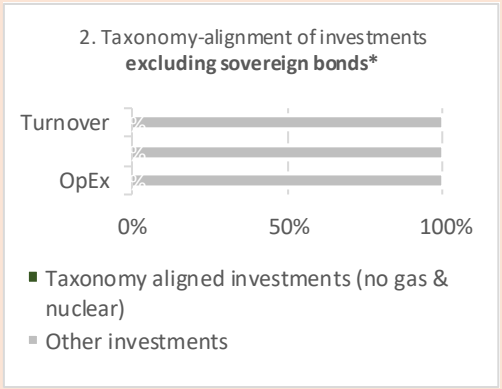
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.	☐	Yes	
		☐ In fossil gas	☐ In nuclear energy
	☒	No	

The graphs below show in green the percentage of investments that were 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.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

The percentage of investments in enabling or transitional activities is 0% of the net assets of the Fund.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy is 24%. The Investment Manager has assessed the taxonomy eligibility and potential taxonomy alignment of the sustainable investments with an environmental objective and believes these companies are demonstrating positive advancement toward Taxonomy alignment and contribute to the environmental objectives identified.

What was the share of socially sustainable investments?

The share of socially sustainable investments is 16.83%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As at end of December 2022, the Fund held cash for the purpose of meeting short-term cash commitments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Several actions were taken to meet the environmental and/or social characteristics during the reference period.

Engagement activities:

Maintaining an active relationship with investee companies is a key element of the Investment Manager's investment process.

In 2022, 25 engagement activities were carried out with 14 companies in the Fund to encourage best practices with regard to ESG topics, including working toward mitigating any adverse impacts identified. 28.6% of the engagement activities were related to Environmental topics, 42.9% to Social topics, 9.5% to Governance topics and 19% to combined ESG topics.

Voting activities:

The Investment Manager exercises its right to vote at shareholder meetings in accordance with corporate governance values and voting principles that have been determined by the Investment Manager with reference to regulations, industry standards and best practice. The Investment Manager's objective is to vote systematically at all shareholder meetings when it is technically possible to do so.

In 2022, the Investment Manager exercised its voting rights at 100% of shareholders' meeting for companies held by the Fund.

BREAKDOWN OF VOTES	%
For	78.74 %
Against	20.58%
Abstentions or Withholdings	0.68 %
In Line with Management	75.17 %
Against Management	24.83%

ANNEX IV (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

		Product name:	Comgest Growth Europe	**Legal entity identifier:**	635400JYB1RHBTRDH390
Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.		**Environmental and/or social characteristics**			
		Did this financial product have a sustainable investment objective?			
		☐ **Yes**		☒ **No**	
		☐	It made **sustainable investments with an environmental objective**: ___%	☒	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 33.05% of sustainable investments
The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.		☐	in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐	with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
		☐	in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
				☒	with a social objective
		☐	It made **sustainable investments with a social objective**: ___%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**
		To what extent were the environmental and/or social characteristics promoted by this financial product met?			

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.		The environmental and/or social characteristics promoted by the Fund were met by targeting and investing in companies with positive overall ESG quality. To assist in selecting companies with positive overall ESG quality, the Investment Manager performed an ESG review of the market to identify and exclude companies with the poorest ESG credentials from the Fund's investable market. This resulted in a reduction of the investable market by at least 20%. The ESG review was applied to at least 90% of the Fund's investee companies. In addition, throughout the period, the Investment Manager also applied an exclusion policy to exclude investment in: (i) companies with negative social characteristics including companies (a) manufacturing anti-personnel mines, cluster bombs, biological/chemical weapons, depleted uranium, nuclear weapons, white phosphorus, non-detectable fragments and blinding lasers (>0% of revenue), (b) producing and/or distributing conventional weapons (>10% of revenue), (c) directly manufacturing and/or distributing tobacco (>5% of revenue), and (d) with severe violations of the UN Global Compact without prospect for improvement; and (ii) companies with negative environmental characteristics including operators of thermal coal mines (>0% of revenue) and electricity producers with an energy mix exposed to coal exceeding defined relative or absolute thresholds (production or revenue based on coal equal to or exceeding 20% or electricity producers with installed capacity based on coal equal to or exceeding 5 GW), without a coal exit strategy. ***In respect of sustainable investment held by the Fund, please find below the list of environmental objectives (set out in Article 9 of Regulation (EU) 202/852) and the list of social objectives to which the Fund's sustainable investments contributed:*** ***1. Environmental objectives:*** The Fund invested in sustainable investments with environmental objectives that contributed to the below objectives: (i) climate change mitigation, and (ii) transition to a circular economy. ***2. Social objectives:*** The Fund invested in sustainable investments with social objectives that contributed to the below objectives: (i) the promotion of adequate living standards and wellbeing for end users, and (ii) inclusive and sustainable communities and societies.
		How did the sustainability indicators perform?
		As at end December 2022, the Fund had attained the environmental and social characteristics promoted, including: (i) at least 90% of the Fund's investee companies had an ESG score in the top 80% of companies rated by the Investment Manager; (ii) none of the Fund's investee companies were engaged in excluded activities; and (iii) 33.05% of assets qualified, in the opinion of the Investment Manager, as sustainable investments.

		● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***
		The Fund invested 33.05% of its assets in sustainable investments which contributed to the environmental objectives and social objectives listed above. ***Description of how the sustainable investments contributed to the sustainable investment objective*** The sustainable investments' contribution to the environmental and/or social objectives listed above is measured by the Investment Manager using proprietary analysis. **For the social objectives:** - **at least 25%** of the investee company's revenue was generated from business activities which contributed to one or more of the United Nations' Sustainable Development Goals (SDGs number 2, 3, 4, 6, 7, 8, 9, 11, 12 and 16)[20]. **For the environmental objectives:** - **at least 25%** of the investee company's revenue was generated from economic activities that are Taxonomy eligible; or - **at least 5%** of the investee company's revenue was generated from economic activities that are potentially[21] aligned to the Taxonomy.
Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.		● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***
		An assessment was performed to ensure that investments identified as contributing to one or more of the above environmental and/or social objectives did not significantly harm any of those objectives. This was done by assessing and monitoring the 14 mandatory principal adverse impact indicators and where possible relevant optional indicators referenced in Annex 1 of the SFDR Delegated Regulation (EU 2022/1288) and by seeking to ensure that such investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Fund committed to invest in sustainable investments starting from 2 November 2022. The Investment Manager will continue to review additional optional relevant indicators for assessing adverse impacts and will further detail its assessment methodology in the Fund's financial statements covering the year 2023.
		How were the indicators for adverse impacts on sustainability factors taken into account?

[20] SDG 2 – Zero Hunger, SDG 3 – Good Health and Well-being, SDG 4 – Quality Education, SDG 6 – Clean Water and Sanitation, SDG 7 – Affordable and Clean Energy, SDG 8 – Decent Work and Economic Growth, SDG 9 – Industry, Innovation and Infrastructure, SDG 11 – Sustainable Cities and Communities, SDG 12 – Responsible Consumption and Production and SDG 16 – Peace Justice and Strong Institutions.

[21] This assessment is based on estimation and is not relying on company reported data.

		The 14 mandatory principal adverse impact indicators have been reviewed by the Investment Manager as part of its ESG assessment for sustainable investments. The Investment Manager used external data where available and also relied on a qualitative assessment using information directly from the company or its own research where quantitative data was not available.
		Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:
		To ascertain if companies were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights ('Guidelines and Principles'), the Investment Manager reviewed and assessed the results obtained from PAIs 10 (Violations of the Guidelines and Principles) and 11 (Lack of processes and compliance mechanisms to monitor compliance with Guidelines and Principles) to ensure that the Fund's sustainable investments were not in violation of the UN Guiding Principles during the reference period and to ensure they have put in place processes and compliance mechanisms to help meet the Guidelines and Principles. Where data was missing the investment teams performed their own qualitative assessment by reviewing additional information which may include the investee companies' policies and procedures, controversies flagged by third party providers, investee companies' membership of the UN Global Compact or NGO reports.
		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 Union criteria. The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities. *Any other sustainable investments must also not significantly harm any environmental or social objectives.*
		**How did this financial product consider principal adverse impacts on sustainability factors?**
		Starting from 2 November 2022, the Fund considered principal adverse impacts ("PAI") on sustainability factors by assessing and monitoring the 14 mandatory principal adverse impact indicators (PAIs) referenced in Annex 1 of the delegated regulation (EU) 2022/1288. The Investment Manager used external data where available and relied on information directly from the company or its own research and knowledge of the relevant industry or sector to assess the 14 mandatory principal adverse impacts. In order to collect and share PAI related data and information more efficiently, the Investment Manager developed an internal tool, the "PAI Dashboard", with the main purpose of providing the investment teams with instant access to all PAI related data and information on investee companies as well as information on the top 5 contributors for each PAI (aggregated at fund level) so as to enable the investment teams to easily identify companies that should be considered for engagement. The quantitative and qualitative data aggregated at Fund level guide the Investment Manager's assessment of the principal adverse impacts identified and allow it to measure and set engagement priorities and other mitigation efforts such as voting and advocacy.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments	Sector	% of assets	Country
Novo Nordisk A/S Class B	Health Care	7.60%	Denmark
ASML Holding NV	Information Technology	7.10%	Netherlands
EssilorLuxottica SA	Consumer Discretionary	5.53%	France
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	5.04%	France
Linde plc	Materials	4.50%	United Kingdom
Accenture Plc Class A	Information Technology	4.41%	Ireland
Alcon AG	Health Care	3.54%	Switzerland
Experian PLC	Industrials	3.54%	United Kingdom
Jeronimo Martins, SGPS S.A.	Consumer Staples	3.19%	Portugal
ICON Plc	Health Care	2.93%	Ireland
Heineken NV	Consumer Staples	2.91%	Netherlands

The top investments represent the greatest proportion of investments over the course of the period covered, calculated at appropriate intervals to be representative of that period.



What was the proportion of sustainability-related investments?

The proportion of sustainable investment was 33.05% and included 18.44% of sustainable investments with a social objective and 14.61% of sustainable investment with an environmental objective. Please see below the breakdown:

Breakdown of the proportion of the sustainable investments per each of environmental objectives set out in Article 9 of Regulation (EU) 2020/852 to which those investments contributed	
Environmental objective	**% of assets**
Climate change mitigation	4.39%
Climate change mitigation & Transition to a circular economy	10.22%

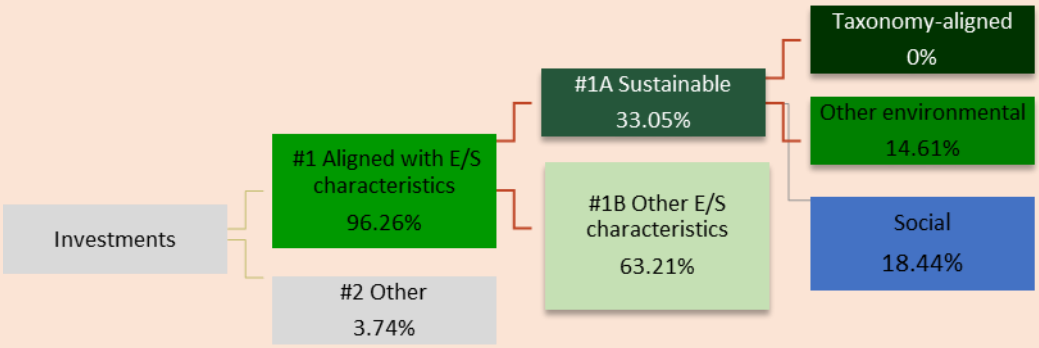
Breakdown of the proportion of the sustainable investments per each of social objectives to which those investments contributed	
Social objective	**% of assets**
Promotion of adequate living standards and wellbeing for end users	14.78%
Inclusive and sustainable communities and societies	3.66%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As at end of December 2022, 96.26% of the assets of the financial product were used to meet the environmental and social characteristics promoted. This included 33.05% of sustainable investments. 3.74% of assets were not aligned with the environmental or social characteristics.

The Fund was primarily invested in direct holdings of listed equities. 96.26% of the investments in listed equities were aligned with the environmental and/or social characteristics.



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

In which economic sectors were the investments made?

Sector breakdown

Sector	% of assets
Health Care	31.36%
Information Technology	21.33%
Consumer Discretionary	13.92%
Consumer Staples	12.07%
Industrials	11.54%
Materials	6.05%
Cash	3.74%
Currency Forward	-0.01%

Data as of end of December. Due to rounding difference, figures may not add up to 100%

Sub-industry breakdown

Sub-industry	% of assets
Health Care Supplies	11.96%
Apparel Accessories & Luxury Goods	9.37%
Pharmaceuticals	8.27%
Semiconductor Equipment	7.27%
Life Sciences Tools & Services	6.01%

Data Processing & Outsourced Services	4.40%
Industrial Gases	4.30%
Application Software	4.26%
IT Consulting & Other Services	4.13%
Building Products	4.08%
Cash	3.74%
Health Care Equipment	3.72%
Research & Consulting Services	3.66%
Food Retail	3.24%
Personal Products	2.88%
Brewers	2.58%
Apparel Retail	2.39%
Airlines	2.18%
Automobile Manufacturers	2.15%
Distillers & Vintners	1.81%
Specialty Chemicals	1.75%
Aerospace & Defense	1.63%
Packaged Foods & Meats	1.55%
Health Care Distributors	1.38%
Electronic Equipment & Instruments	1.26%
Currency Forward	-0.01%

Data as of end of December. Due to rounding difference, figures may not add up to 100%

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

The percentage of investments of the Fund aligned with the EU Taxonomy is 0% of the net assets of the Fund.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[22]?

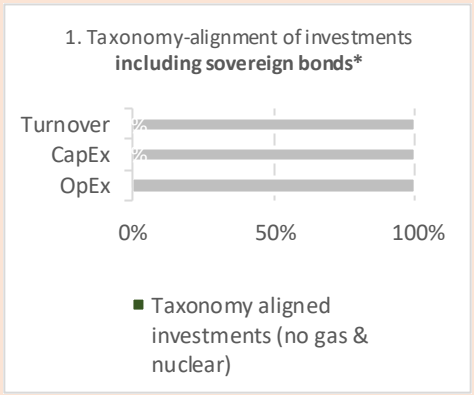
☐	Yes	
	☐ In fossil gas	☐ In nuclear energy
☒	No	

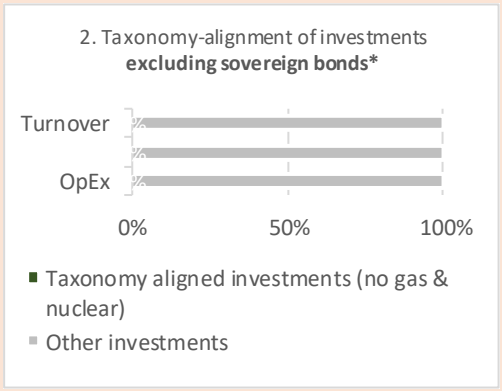
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product 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.

[22] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

The percentage of investments in enabling or transitional activities is 0% of the net assets of the Fund.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy is 14.61%. The Investment Manager has assessed the taxonomy eligibility and potential taxonomy alignment of the sustainable investments with an environmental objective and believes these companies are demonstrating positive advancement toward Taxonomy alignment and contribute to the environmental objectives identified.

What was the share of socially sustainable investments?

The share of socially sustainable investments is 18.44%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As at end of December 2022, the Fund held cash for the purpose of meeting short-term cash commitments. The Fund also held derivatives for currency hedging purposes.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Several actions were taken to meet the environmental and/or social characteristics during the reference period.

Engagement activities:

Maintaining an active relationship with investee companies is a key element of the Investment Manager's investment process.

In 2022, 15 engagement activities were carried out with 14 companies in the Fund to encourage best practices with regard to ESG topics, including working toward mitigating any adverse impacts identified. 42.9% of the engagement activities were related to Environmental topics, 42.9% to Governance topics and 14.3% to combined ESG topics.

Voting activities:

The Investment Manager exercises its right to vote at shareholder meetings in accordance with corporate governance values and voting principles that have been determined by the Investment Manager with reference to regulations, industry standards and best practice. The Investment Manager's objective is to vote systematically at all shareholder meetings when it is technically possible to do so.

In 2022, the Investment Manager exercised its voting rights at 100% of shareholders' meeting for companies held by the Fund.

BREAKDOWN OF VOTES	%
For	86.61 %
Against	13.23%
Abstentions or Withholdings	0.16 %
In Line with Management	86.77 %
Against Management	13.23 %

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CPR Invest - Hydrogen

Legal entity identifier: 213800GFB2R6MO25UX94

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] **Yes**
- [x] **No**

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made a **sustainable investments with a social objective:** _____
- [x] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 51.03% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **INDICE CPR EQT HYDROGEN.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Amundi has developed its own in-house ESG rating process based on the "Best-in-class" approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **0.65 (C).**
- The weighted average ESG rating of the ESG investment universe is **0.18** (**D).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.
- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

- ***… and compared to previous periods?***

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial

data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
  The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:
  - Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
  - Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
  - Be cleared of any controversy in relation to work conditions and human rights.
  - Be cleared of any controversy in relation to biodiversity and pollution

  Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our

proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called “Community Involvement & Human Rights” which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product’s strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.

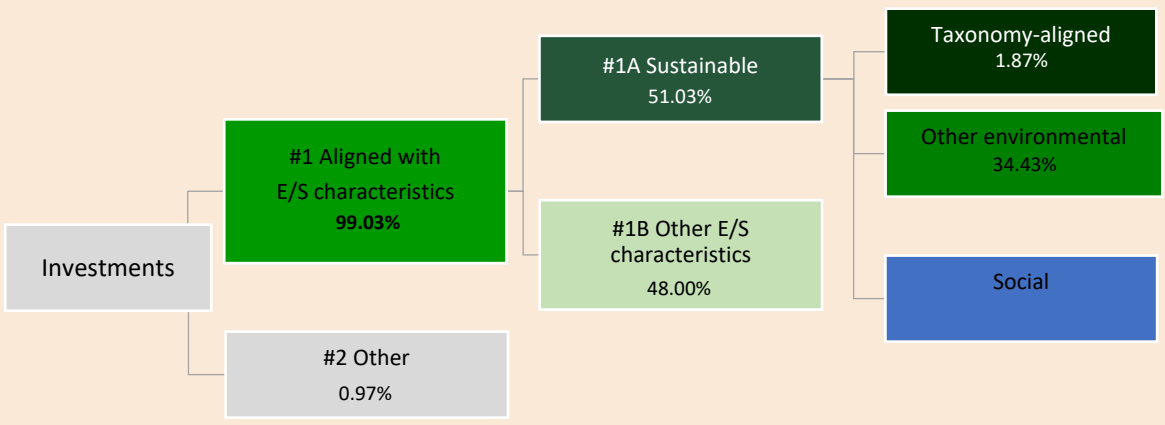
What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/08/2022 to 31/07/2023**

Largest Investments	Sector	% Assets	Country
BAKER HUGHES A GE CO	Energy	3.88%	USA
AIR PRODUCTS & CHEMI	Materials	3.75%	USA
LINDE PLC	Materials	3.67%	USA
EMERSON ELECTRIC	Industrials	3.48%	USA
MICHELIN (CGDE)	Consumer discretionary	3.33%	FRA
AIR LIQUIDE SA	Materials	3.21%	FRA
SCHLUMBERGER LTD	Energy	2.77%	USA
A-F CASH USD - Z USD	Mutual Funds	2.74%	LUX
NEXTERA ENERGY INC	Utilities	2.73%	USA
ENGIE	Utilities	2.72%	FRA
AMUNDI MMST (USD)-OV	Mutual Funds	2.71%	LUX
CHART INDUSTRIES	Industrials	2.64%	USA
SIEMENS AG-REG	Industrials	2.59%	DEU
EDP-ENERGIAS DE PORTUGAL SA	Utilities	2.14%	PRT
SEMPRA ENERGY	Utilities	2.11%	USA

What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share

#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.

of investments in specific assets.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	*% Assets*
Industrials	*36.67%*
Utilities	*19.71%*
Materials	*14.39%*
Consumer discretionary	*10.88%*
Energy	*9.50%*
Mutual Funds	*5.45%*
Information Technology	*2.47%*
Forex	*-0.05%*
Cash	*0.97%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 1.87% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

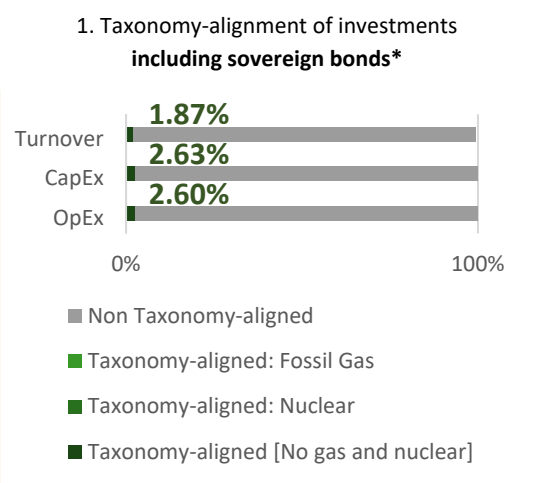
☐ In fossil gas ☐ In nuclear energy

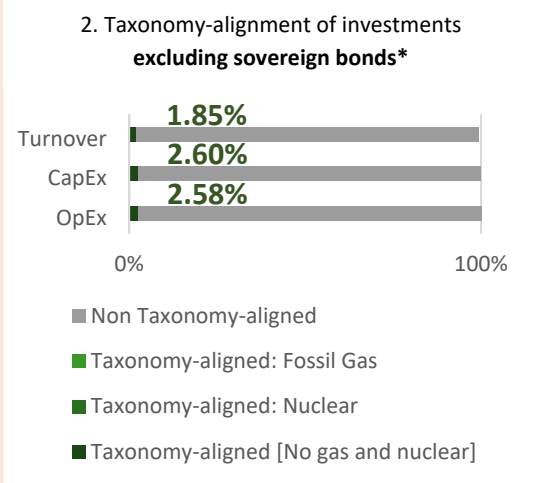
☒ No

Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

What was the share of investments in transitional and enabling activities ?

As of 31/07/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.10%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

In previous periods the regulation was not yet in force.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **34.43%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.



What was the share of socially sustainable investments ?

This product did not commit to have social sustainable investments over the period.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results



How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product does not have an ESG Benchmark.

- ***How does the reference benchmark differ from a broad market index ?***

This product does not have an ESG Benchmark

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the reference benchmark ?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the broad market index ?***

This product does not have an ESG Benchmark.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: CPR Invest - Global Disruptive Opportunities

Legal entity identifier: 222100LU67GQT03SEE74

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] Yes
- [X] No

- [ ] It made **sustainable investments with an environmental objective:** _____
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 51.68% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It made a **sustainable investments with a social objective:** _____
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the financial year, the product continuously promoted environmental and/or social characteristics by aiming to have a higher ESG score than the ESG score of its investment universe **MSCI WORLD.** In determining the ESG score of the Product and the ESG investment universe, ESG /performance was continuously assessed by comparing the average performance of a security against the security issuer's industry, in respect of each of the three environmental, social and governance characteristics.

The investment universe is a broad market universe that does not evaluate or include components based on environmental and/or social characteristics and is therefore not intended to be consistent with the characteristics promoted by the fund. No ESG benchmark has been designated.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Amundi has developed its own in-house ESG rating process based on the "Best-in-class" approach. Ratings adapted to each sector of activity aim to assess the dynamics in which companies operate.

The sustainability indicator used is the ESG score of the Product that is measured against the ESG score of the ESG investment universe of the Product.

At the end of the period:

- The weighted average ESG rating of the portfolio is **0.15 (D).**
- The weighted average ESG rating of the ESG investment universe is **-0.11** (**D).**

The Amundi ESG rating used to determine the ESG score is an ESG quantitative score translated into seven grades, ranging from A (the best scores universe) to G (the worst). In the Amundi ESG Rating scale, the securities belonging to the exclusion list correspond to a G. For corporate issuers, ESG performance is assessed globally and at relevant criteria level by comparison with the average performance of its industry, through the combination of the three ESG dimensions:

- Environmental dimension: this examines issuers' ability to control their direct and indirect environmental impact, by limiting their energy consumption, reducing their greenhouse emissions, fighting resource depletion and protecting biodiversity.
- Social dimension: this measures how an issuer operates on two distinct concepts: the issuer's strategy to develop its human capital and the respect of the human rights in general;
- Governance dimension: This assesses capability of the issuer to ensure the basis for an effective corporate governance framework and generate value over the long-term.

The methodology applied by Amundi ESG rating uses 38 criteria that are either generic (common to all companies regardless of their activity) or sector specific which are weighted according to sector and considered in terms of their impact on reputation, operational efficiency and regulations in respect of an issuer. Amundi ESG ratings are likely to be expressed globally on the three E, S and G dimensions or individually on any environmental or social factor.

- ***… and compared to previous periods?***

The above sustainability indicators were not compared to previous periods as the regulation was not yet in force

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

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. follow best environmental and social practices; and
2. avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial

data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at www.amundi.lu

To contribute to the above objectives, the investee company should not have significant exposure to activities (e.g.tobacco, weapons, gambling, coal, aviation, meat production, fertilizer and pesticide manufacturing, single-use plastic production) not compatible with such criteria.

The sustainable nature of an investment is assessed at investee company level.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector).

Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above.
  The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 where robust data is available via the combination of following indicators and specific thresholds or rules:
  - Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors), and
  - Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector, and
  - Be cleared of any controversy in relation to work conditions and human rights.
  - Be cleared of any controversy in relation to biodiversity and pollution

  Amundi already considers specific Principle Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

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

  Yes, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into our ESG scoring methodology. Our

proprietary ESG rating tool assesses issuers using available data from our data providers. For example the model has a dedicated criteria called “Community Involvement & Human Rights” which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions, and labour relations. Furthermore, we conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts evaluate the situation and apply a score to the controversy (using our proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The product considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the Delegated Regulation (EU) 2022/1288 applying to the product’s strategy and relies on a combination of exclusion policies (normative and sectorial), engagement and voting approaches:

- Exclusion : Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- ESG factors integration : Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.
- Engagement : Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- Vote : Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy .
- Controversies monitoring : Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any further detail on how mandatory Principal Adverse Impact indicators are taken into account, please refer to the Amundi Sustainable Finance Disclosure Statement available at www.amundi.com.



What were the top investments of this financial product?

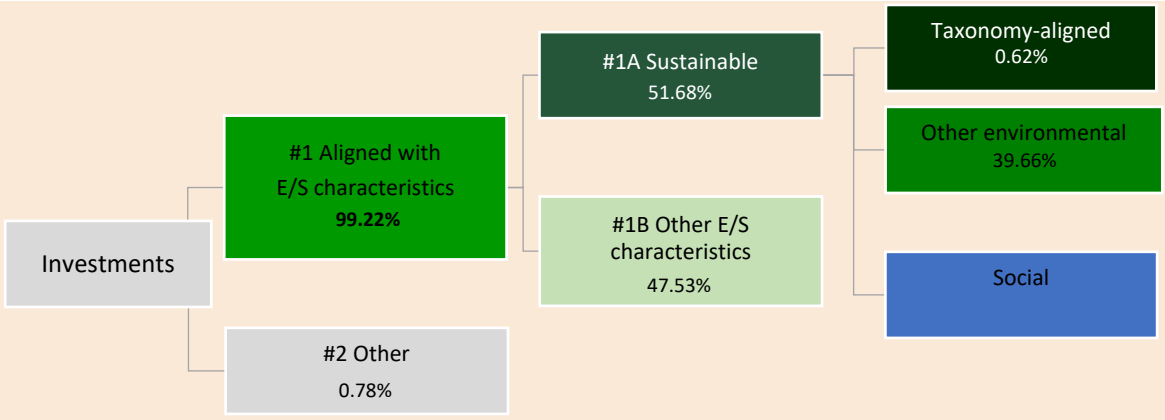
The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: **From 01/08/2022 to 31/07/2023**

Largest Investments	Sector	% Assets	Country
MICROSOFT CORP	Information Technology	4.60%	USA
PALO ALTO NETWORKS INC	Information Technology	3.16%	USA
MASTERCARD INC-CL A	Financials	3.07%	USA
AMAZON.COM INC	Consumer discretionary	2.83%	USA
SERVICENOW INC	Information Technology	2.79%	USA
MARVELL TECHNOLOGY INC	Information Technology	2.49%	USA
TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	2.49%	TWN
STMICROELECTRONICS /P	Information Technology	2.48%	SGP
VEEVA SYSTEMS INC	Health care	2.43%	USA
SYNOPSYS	Information Technology	2.34%	USA
NVIDIA CORP	Information Technology	2.24%	USA
HITACHI	Industrials	2.23%	JPN
IQVIA HOLDINGS INC	Health care	2.20%	USA
ANALOG DEVICES	Information Technology	2.20%	USA
BOSTON SCIENTIFIC	Health care	2.15%	USA



What was the proportion of sustainability-related investments?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.
#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
-The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made ?***

Sector	***% Assets***
Information Technology	*50.08%*
Health care	*16.28%*
Industrials	*13.11%*
Consumer discretionary	*6.66%*
Financials	*5.97%*
Communication Services	*4.09%*
Mutual Funds	*1.50%*

Real estate	*1.38%*
Forex	*0.37%*
Cash	*0.56%*

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies

-capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

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

The fund promotes both environmental and social characteristics. While the fund did not commit to making investments aligned with the EU Taxonomy, during the reporting period the fund invested 0.62% in sustainable investments aligned with the EU Taxonomy. These investments contributed to the climate change obligation or climate change mitigation objectives of the EU Taxonomy.

The alignment of investee companies with the above-mentioned EU Taxonomy objectives is measured using turnover (or revenues) and/or green bond use-of-proceeds data.

The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?

☐ Yes:

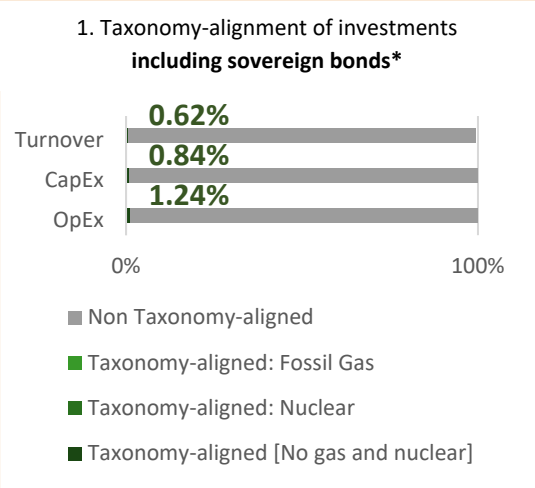
☐ In fossil gas ☐ In nuclear energy

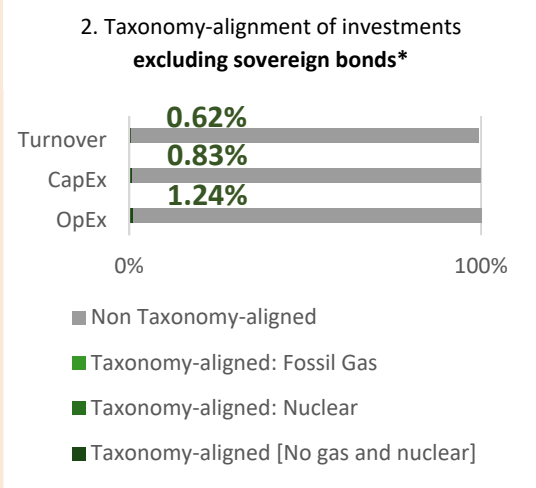
☒ No

Reliable data regarding alignment with the EU Taxonomy fossil gas and nuclear energy was not available during the period.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments in transitional and enabling activities ?***

As of 31/07/2023, using turnover and/or green bond use-of-proceeds data as an indicator, the fund's share of investment in transitional activities was 0.00% and the share of investment in enabling activities was 0.39%. The reported alignment percentage of the investments of the fund with the EU Taxonomy has not been audited by the fund auditors or by any third party.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?***

In previous periods the regulation was not yet in force.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The share of sustainable investments with environmental objective not aligned to taxonomy was **39.66%** at the end of the period.
This is due to the fact that some issuers are considered sustainable investments under the SFDR Regulation but do have a portion of activities that are not aligned with EU taxonomy standards, or for which data is not yet available to perform an EU taxonomy assessment.

What was the share of socially sustainable investments ?

under the EU Taxonomy.

This product did not commit to have social sustainable investments over the period.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

"#2 Other" includes cash and other instruments held for the purpose of liquidity and portfolio risk management.It may also include ESG unrated securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period ?

Sustainability indicators are continuously made available in the portfolio management system allowing the portfolio managers to assess the impact of their investment decisions.

These indicators are embedded within AMUNDI's control framework, with responsibilities spread between the first level of controls performed by the Investment teams themselves and the second level of controls performed by the Risk teams, who monitor compliance with environmental or social characteristics promoted by the fund on an ongoing basis.

Moreover, AMUNDI's Responsible Investment Policy sets out an active approach to engagement that promotes dialogue with investee companies including those in the portfolio of this product. Our Annual Engagement Report, available on https://about.amundi.com/esg-documentation, provides detailed reporting on this engagement and its results



How did this financial product perform compared to the reference benchmark ?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

This product does not have an ESG Benchmark.

- ***How does the reference benchmark differ from a broad market index ?***

This product does not have an ESG Benchmark

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the reference benchmark ?***

This product does not have an ESG Benchmark.

- ***How did this financial product perform compared with the broad market index ?***

This product does not have an ESG Benchmark.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Credit Suisse (Lux) Robotics Equity Fund **Legal entity identifier:** 549300IXGN09NFGX1E64

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: __%	☒ **It promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 19.57% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Management Company and the Investment Manager applied the Credit Suisse Asset Management (CSAM) Sustainable Investing Policy to this Subfund. This Subfund promoted the following environmental and social characteristics:

- to invest into companies that comply with international treaties on controversial weapons (norms-based exclusions on direct investments)
- not to invest into companies that derive more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment (values-based exclusions on direct investments)

- not to invest into companies that derive more than 20% of their revenue from tobacco distribution, conventional weapons support systems or coal (i.e., coal mining and coal-based electricity generation) (values-based exclusions on direct investments).
- adherence to, and conducting business activities in accordance with, international norms such as the "United Nations Global Compact Principles" (UNGC) (business-conduct exclusions on direct investments)
- higher exposure to investments that have better ESG profile and fewer ESG controversies over their investment cycle (ESG Integration)
- contribution to good governance and sustainable practices through proxy voting and engagement with investee companies in line with Credit Suisse Asset Management's Sustainable Investing Policy (Active Ownership)

The extent to which the environmental and/or social characteristics were met is measured by the sustainability indicators shown below. Derivatives were not used to attain the environmental or social characteristics.

Please find further information on ESG Integration, ESG Exclusions and Active Ownership below in the question "What actions have been taken to meet the environmental and/or social characteristics during the reference period?" and online at www.credit-suisse.com/esg.

How did the sustainability indicators perform?

The table below shows the output of the Sustainability Indicators applicable to this Subfund as of 31.05.2023. While the sustainability indicators have been monitored continuously during the reference period, the data below does not represent an average for the reference period.

More information about the data sources and applied methodologies for each Sustainability Indicator can be found online at: www.credit-suisse.com/esg.

Sustainability Indicator*	**Portfolio**	**Indicator Output**
ESG Rating	AAA: 10.08%, AA: 44.96%, A: 19.17%, BBB: 14.52%, BB: 3.98%, B: 0.00%, CCC: 0.00%, Not ratable**: 2.07%, No data coverage**: 5.23%	Investment exposure by ESG Rating: AAA (highest): 0–100% AA: 0–100% A: 0–100% BBB: 0–100% BB: 0–100% B: 0–100% CCC (lowest): 0–100%
Environmental pillar score	5.24	Portfolio aggregate environmental pillar score: 1 (lowest) – 10 (highest)
Social pillar score	5.50	Portfolio aggregate social pillar score: 1 (lowest) – 10 (highest)
Governance pillar score	6.25	Portfolio aggregate governance pillar score: 1 (lowest) – 10 (highest)
ESG controversy flag	Green: 88.06%, Yellow: 2.58%, Orange: 2.06%, Red: 0.00%, Not ratable**: 2.07%, No data coverage**: 5.23%	Investment exposure by ESG controversy flag: Green: 0–100% Yellow: 0–100% Orange: 0–100% Red: 0–100%
CSAM ESG exclusions***	Pre- and post-trade checks are in place to detect investments that breach the ESG exclusions. Any detected breach is escalated and remedied.	This indicator reflects that the portfolio complied with the applicable ESG exclusions as described in the exclusion section of the website (during the entire reference period, CSAM adhered to ESG exclusion criteria, as stated in the CSAM Sustainable Investing Policy)

** None of the Sustainability Indicators were subject to an assurance provided by an auditor or a review by a third party.*
*** These categories can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.*
**** Note that the amount of investments that were restricted due to the ESG exclusions depend on the investable universe of the Subfund.*

…and compared to previous periods?

A comparison of the portfolio's performance of the sustainability indicators compared to previous periods will be available as of the next reference period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

At the end of the reference period, the sustainable investments contributed to the Environmental and Social objectives below:

- Investments that generated at least 50% of their revenues from products and services that contributed to an environmental objective (e.g. alternative energy, carbon & energy efficiency, green building, sustainable water, pollution prevention, sustainable agriculture etc.)
- Investments that generated at least 50% of their revenues from products and services that contributed to a social objective (e.g. nutrition, disease treatments, sanitation, affordable real estate, SME finance, education, connectivity etc.).
- Investments that have an approved commitment to science-based emission targets and an average reduction in carbon emissions intensity of 7% over the last three years.

The above criteria were assessed using a quantitative methodology. If there had not been an output from the quantitative assessment (e.g. in the case of missing quantitative ESG data), investments were submitted for confirmation in a case-by-case approach based on a proprietary assessment of the criteria. A central Credit Suisse Group committee approved such submissions.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Credit Suisse Asset Management (CSAM) considered various indicators linked to principal adverse impacts on sustainability factors (PAI Indicators) and further indicators from its exclusion framework to assess whether sustainable investments caused significant harm to any environmental or social investment objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the PAI Indicators applied by CSAM to identify investments which qualify as SFDR Sustainable Investments in line with CS SFDR Sustainable Investment Methodology included a set of criteria and thresholds to determine if an investment passed the DNSH condition as follows:

Investments must not:

1. have a significant negative contribution to climate change. This criterion makes use of an indicator that flags the biggest emitters of greenhouse gas globally and relates to PAI 1, 2, 3 and 15.
2. be subject to norms, values and business conduct exclusions and other investment restrictions which address PAI 4, 10, 14 and 16.
3. be subject to severe ESG controversies which address PAI 7 and 10 where applicable.
4. be strongly lagging its industry peers in overall ESG performance. This criterion has been applied to cover the remainder of the PAI to the extent possible.

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

Sustainable Investments were aligned with the 'OECD Guidelines for Multinational Enterprises' and the 'UN Guiding Principles on Business and Human Rights'. The alignment was assessed through the CS business conduct framework as part of the CS ESG Exclusion framework.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides the exposure to all mandatory PAI from the Commission Delegated Regulation (EU) 2022/1288. The Adverse Sustainability Indicator/Metric values are calculated as an average based on quarterly data representing the reference period from 01.06.2022 - 31.05.2023.

Please note that CSAM may choose or may not be able to consider and/or mitigate all of the herein reported PAI given the Subfund's investment strategy, asset class or the availability of reliable data. Consideration of PAI may be subject to change given evolving data availability and quality. Please refer to the EET for the most recent overview of which PAI are considered at Subfund level.

Please find further information on CSAM PAI Framework online at www.credit-suisse.com/esg.reference period

Adverse Sustainability Indicator / Metric	Impact *	Eligible Assets (%) **	Data Coverage (%) ***
Indicators applicable to investments in investee companies			
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS			
GHG Emissions			
1. GHG emissions Scope 1 (in metric tons)	1'485.11	97.22	91.93
1. GHG emissions Scope 2 (in metric tons)	4'676.69	97.22	91.93
1. GHG emissions Scope 3 (in metric tons)	234'598.48	97.22	91.95
1. GHG emissions Total (in metric tons)	240'936.05	97.22	91.93
2. Carbon footprint (Scope 1,2 and 3 in metric tons per EUR million invested)	134.18	97.22	91.93
3. GHG intensity of investee companies (Scope 1,2, and 3 in metric tons per EUR million revenue)	516.33	97.22	90.47
4. Exposure to companies active in the fossil fuel sector (in percent) ****	0.00	97.22	91.95
5. Share of nonrenewable energy consumption and production (in percent)	47.93	97.22	54.27
6.A. Energy consumption intensity per high impact climate sector - NACE A (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.B. Energy consumption intensity per high impact climate sector - NACE B (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.C. Energy consumption intensity per high impact climate sector - NACE C (in GWh per EUR million revenue) *****	0.02	97.22	61.02
6.D. Energy consumption intensity per high impact climate sector - NACE D (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.E. Energy consumption intensity per high impact climate sector - NACE E (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.F. Energy consumption intensity per high impact climate sector - NACE F (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.G. Energy consumption intensity per high impact climate sector - NACE G (in GWh per EUR million revenue) *****	0.01	97.22	61.02
6.H. Energy consumption intensity per high impact climate sector - NACE H (in GWh per EUR million revenue) *****	0.00	97.22	61.02
6.L. Energy consumption intensity per high impact climate sector - NACE L (in GWh per EUR million revenue) *****	0.00	97.22	61.02
Biodiversity			
7. Activities negatively affecting biodiversity sensitive areas (in percent)	0.00	97.22	91.95
Water			
8. Emissions to water (in metric tons, per million EUR invested)	0.16	97.22	4.81
Waste			
9. Hazardous waste ratio (in metric tons, per million EUR invested)	0.02	97.22	24.76

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			
Social and employee matters			
10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	0.00	97.22	94.09
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	64.98	97.22	89.17
12. Unadjusted gender pay gap (in percent of male gross earnings)	1.89	97.22	10.13
13. Board gender diversity (female board members, expressed as a percentage of all board members)	28.95	97.22	91.95
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (in percent)	0.00	97.22	91.95
Indicators applicable to investments in sovereigns and supranationals			
Environmental			
15. GHG intensity (Scope 1, 2, and 3 in metric tons per EUR million GDP)	0.00	0.00	0.00
Social			
16. Investee countries subject to social violations (absolute)	0.00	0.00	0.00
16. Investee countries subject to social violations (relative)	0.00	0.00	0.00
Indicators applicable to investments in real estate assets			
Fossil fuels			
17. Exposure to fossil fuels through real estate assets (in percent)	n/a	0.00	0.00
Energy efficiency			
18. Exposure to energy-inefficient real estate assets (in percent)	n/a	0.00	0.00

** Impact: The value represents non-normalized portfolio level exposure to a given PAI indicator. This means that the PAI values use the actual weights of portfolio exposures.*
*** Eligible Assets: Percentage of AUM of the entire portfolio (including cash) for which the PAI is applicable. As an example, government bonds held by the Subfund cannot be measured against PAI indicators applicable to an investee company.*
**** Data coverage: Percentage of AUM of the entire portfolio for which PAI indicator data is available.*
***** Flags the companies with exposure to fossil fuels related activities, including extraction, processing, storage and transportation of fossil fuels.*
****** The coverage of the PAI 6 are limited to the 9 high impact climate sectors defined by SFDR.*

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.05.2023

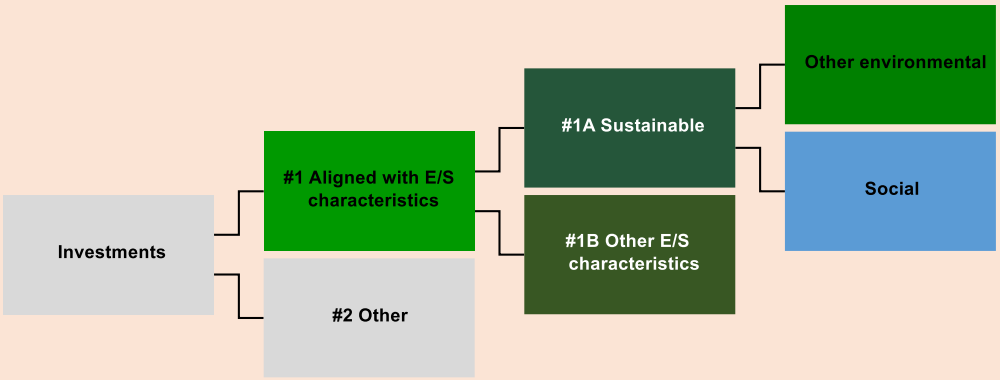
Largest investments *	NACE Sector code	% Assets	Country
ASM INTERNATIONAL NV	C. Manufacturing	3.77	Netherlands
SYNOPSYS INC	J. Information and communication	3.60	United States of America
BE SEMICONDUCTOR INDUSTRIES NV	C. Manufacturing	3.47	Netherlands
CADENCE DESIGN SYSTEMS INC	J. Information and communication	3.46	United States of America
SPLUNK INC	J. Information and communication	3.28	United States of America
KEYENCE CORP	C. Manufacturing	3.18	Japan
ANSYS INC	J. Information and communication	3.00	United States of America
SERVICENOW INC	J. Information and communication	2.91	United States of America
KLA CORP	C. Manufacturing	2.85	United States of America
DATADOG INC CLASS A	J. Information and communication	2.85	United States of America
PTC INC	J. Information and communication	2.75	United States of America
DESCARTES SYSTEMS GROUP INC	J. Information and communication	2.65	Canada
NXP SEMICONDUCTORS NV	C. Manufacturing	2.59	Netherlands
ABB LTD	C. Manufacturing	2.58	Switzerland
OMRON CORP	C. Manufacturing	2.53	Japan

** Look-through enabled where possible, excl. cash and derivatives. Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period.*

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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 were neither aligned with the environmental or social characteristics, nor qualified as sustainable investments. Please refer to the section "What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?" for further information. The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that did not qualify as sustainable investments.

The proportion of investments used to meet the environmental or social characteristics promoted by this Subfund (category #1 above) was 92.71% of its total net assets. Within this category the Subfund held a proportion of 19.57% of its total net assets in sustainable investments (category #1A above). The data is valid as of 31.05.2023. It does not represent an average for the reference period.

In which economic sectors were the investments made?

Subfund Sectoral Exposure

NACE Sector Code *	Portfolio Exposure **
C. Manufacturing	56.54%
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	1.88%
J. Information and communication	39.51%
Others	2.07%

** Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.*
*** Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period. The "Other" category can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.*

Subfund Exposure to Fossil Fuels Sub-Sectors

NACE Sector Code *	NACE name	Portfolio Exposure **
B5.1.0	Mining of hard coal	0.00%
B5.2.0	Mining of lignite	0.00%
B6.1.0	Extraction of crude petroleum	0.00%
B6.2.0	Extraction of natural gas	0.00%

B9.1.0	Support activities for petroleum and natural gas extraction	0.00%
C19.2.0	Manufacture of refined petroleum products	0.00%
D35.2.1	Manufacture of gas	0.00%
D35.2.2	Distribution of gaseous fuels through mains	0.00%
D35.2.3	Trade of gas through mains	0.00%
G46.7.1	Wholesale of solid, liquid and gaseous fuels and related products	0.00%

** Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.*
*** Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period.*

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

During the Reference Period, the Subfund reports 0% exposure to sustainable investments with an environmental objective aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes

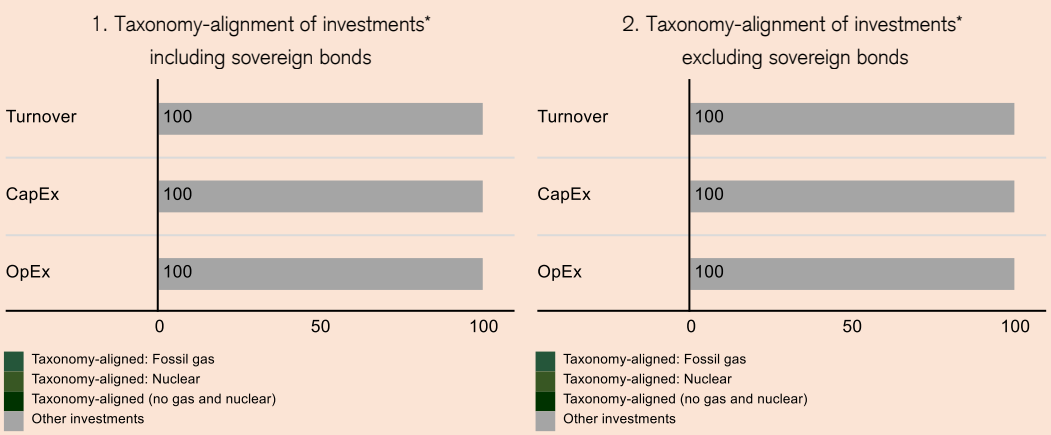
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

The Subfund's reported EU Taxonomy alignment was not subject to assurance or review by a third party.

What was the share of investments made in transitional and enabling activities?

Of the 0% of sustainable investments with an environmental objective aligned with the EU Taxonomy during the Reference Period, 0% were made in transitional activities and 0% in enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

A comparison of the portfolio's investments that were aligned with the EU Taxonomy compared to previous periods will be available as of the next reference period.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

During the Reference Period, 17.98% of the Subfund's investments were made into sustainable investments with an environmental objective that was not aligned with the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

During the Reference Period, 1.60% of the Subfund's investments were made into socially sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the Reference Period, 7.29% of the Subfund's investments were made into "other".

Investments such as cash, derivatives and structured products may have fallen under "other" since such instruments did not contribute to the E/S characteristics of this Subfund. More information about the portfolio exposure to such investments can be found in the financial section of this annual report. Such investments did not have minimum environmental or social safeguards. They may have been used as efficient portfolio management tools, for cash management, for hedging purposes, or as an additional source of return.

Additionally, investments may have fallen under "other" if insufficient ESG-related information was available. This applied in particular to asset classes for which ESG Factors were insufficiently defined or insufficient ESG related information was available. Where possible, minimum environmental or social safeguards have been applied to these underlying securities by ensuring that CSAM ESG exclusions were adhered to.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To attain the environmental or social characteristics promoted by this Subfund, this Subfund applied ESG Exclusions, ESG Integration and Active Ownership.

This Subfund excluded investments in companies of the following categories:

- Norms-based Exclusions

This Subfund excluded companies that failed to comply with international treaties on controversial weapons such as the Convention on Cluster Munitions, the Chemical Weapons Convention, the Biological Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). In addition, it excluded companies that are recommended for exclusions by the Swiss Association for Responsible Investments (SVVK-ASIR) in respect to APM (anti-personnel mines), cluster munitions and nuclear weapons (outside of NPT).

- Values-based Exclusions

This Subfund excluded companies that derived more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment. It excluded companies that derived more than 20% of their revenue from tobacco distribution and conventional weapons support systems and services. In addition, a revenue limit of 20% applied to investments in coal (coal mining and coal-based electricity generation).

- Business-conduct Exclusions

Companies found to systematically violate international norms, where the breaches were particularly severe, or where management was not open to implement necessary reforms, were placed on a watch list, and may have been excluded

from the Credit Suisse-wide investment universe. This process was governed by a dedicated committee that maintained the list of excluded companies and was responsible for ensuring that the list is communicated to investment teams in a timely manner.

- Restrictions related to LuxFLAG ESG label

To comply with the LuxFLAG ESG label, this Subfund excluded additionally the following companies from the investment universe:

  - Tobacco, tobacco-related products and supporting services: Companies that derive more than 5% of their annual revenue from production and all companies that derive more than 15% of their annual revenue from sales and distribution are excluded.

ESG Factors were integrated into the investment process in the following four main steps:

- Identification of material ESG Factors

First, the Investment Manager used materiality frameworks to identify those ESG Factors that are relevant to the investment strategy. Materiality frameworks are concepts that help to identify sustainability-related issues and opportunities that are likely to affect the financial condition or operating performance of companies within an industry. Material factors have been furthermore assessed based on the Subfund's sector and geographical exposure. Second, the Investment Manager prioritized the material factors that were most relevant to the subsequent investment decisions based on the portfolio's current market exposure.

- ESG security analysis

Based on the identified material ESG Factors, the Investment Manager performed security research across the Subfund's investment universe. The Investment Manager made use of ESG ratings from third-party service providers and combined them with CSAM's proprietary analyses and information. These included, e.g. ESG related news, ESG ratings and scores, ESG-related controversies, and ESG trends.
The ESG data are fully integrated in the portfolio management software. The CSAM sustainable investing team may offer additional support, where needed, and advise on access to other ESG data providers.
The outcome of the ESG analysis of individual securities, combined with financial research, enabled the Investment Managers to make ESG-adjusted risk/return assessments. This enabled the Investment Manager to compare securities on an ESG-adjusted basis and to evaluate whether to keep certain securities in the portfolio or to sell them during the security selection and portfolio implementation stage. The ESG security analysis has been updated periodically.

- Security selection and portfolio implementation

Based on the identified material ESG Factors and the ESG-adjusted security analysis, the Investment Manager constructed a portfolio in accordance with the Subfund's investment process and principles. The ESG-adjusted security analysis combined with portfolio construction considerations has been used to determine appropriate portfolio weights that reflected the ESG-adjusted risk/return profile of the analyzed securities.
The research process might make use of dedicated ESG questionnaires with potential follow-up meetings with investee companies in case incomplete data is available from third-party ESG data providers.

- Portfolio monitoring

The Investment Manager monitored the ESG Factors periodically to detect significant changes in the ESG Factors of the underlying securities. They regularly reassessed the portfolio, taking into consideration financial and ESG metrics, and consequently decided whether to increase or decrease positions in the portfolio.

- Engagement

CSAM engaged with investee companies with the aim of increasing its impact on sustainability issues. Selected companies that were able and willing to take action were subject to engagement and CSAM sought to preserve and/or enhance the value of the companies they invested in, through engagement with issuers. The Active Ownership team defined the topics and issues CSAM wanted to discuss with investee companies. The resulting engagement activities for the reference period of this SFDR annex to the annual report were defined using certain criteria and aimed at companies in which CSAM held considerable investments through its funds. More information about the engagement activities and the most current active ownership report of CSAM can be found online at: www.credit-suisse.com/esg.

- Proxy Voting

Voting rights have been exercised for investee companies which have met the criteria for proxy voting as explained at www.credit-suisse.com/esg.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Subfund did not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- ***How did this financial product perform compared with the broad market index?***

  Not applicable.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Credit Suisse (Lux) Security Equity Fund

Legal entity identifier: 549300XRZKN86MHX7E55

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective**: __%	☒ **It promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 21.86% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Management Company and the Investment Manager applied the Credit Suisse Asset Management (CSAM) Sustainable Investing Policy to this Subfund. This Subfund promoted the following environmental and social characteristics:

- to invest into companies that comply with international treaties on controversial weapons (norms-based exclusions on direct investments)
- not to invest into companies that derive more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment (values-based exclusions on direct investments)

- not to invest into companies that derive more than 20% of their revenue from tobacco distribution, conventional weapons support systems or coal (i.e., coal mining and coal-based electricity generation) (values-based exclusions on direct investments).
- adherence to, and conducting business activities in accordance with, international norms such as the "United Nations Global Compact Principles" (UNGC) (business-conduct exclusions on direct investments)
- higher exposure to investments that have better ESG profile and fewer ESG controversies over their investment cycle (ESG Integration)
- contribution to good governance and sustainable practices through proxy voting and engagement with investee companies in line with Credit Suisse Asset Management's Sustainable Investing Policy (Active Ownership)

The extent to which the environmental and/or social characteristics were met is measured by the sustainability indicators shown below. Derivatives were not used to attain the environmental or social characteristics.

Please find further information on ESG Integration, ESG Exclusions and Active Ownership below in the question "What actions have been taken to meet the environmental and/or social characteristics during the reference period?" and online at www.credit-suisse.com/esg.

How did the sustainability indicators perform?

The table below shows the output of the Sustainability Indicators applicable to this Subfund as of 31.05.2023. While the sustainability indicators have been monitored continuously during the reference period, the data below does not represent an average for the reference period.

More information about the data sources and applied methodologies for each Sustainability Indicator can be found online at: www.credit-suisse.com/esg.

Sustainability Indicator*	**Portfolio**	**Indicator Output**
ESG Rating	AAA: 5.65%, AA: 35.84%, A: 21.05%, BBB: 28.48%, BB: 6.29%, B: 0.98%, CCC: 0.44%, Not ratable**: 0.97%, No data coverage**: 0.29%	Investment exposure by ESG Rating: AAA (highest): 0–100% AA: 0–100% A: 0–100% BBB: 0–100% BB: 0–100% B: 0–100% CCC (lowest): 0–100%
Environmental pillar score	5.58	Portfolio aggregate environmental pillar score: 1 (lowest) – 10 (highest)
Social pillar score	4.95	Portfolio aggregate social pillar score: 1 (lowest) – 10 (highest)
Governance pillar score	6.21	Portfolio aggregate governance pillar score: 1 (lowest) – 10 (highest)
ESG controversy flag	Green: 82.54%, Yellow: 6.57%, Orange: 9.93%, Red: 0.00%, Not ratable**: 0.97%, No data coverage**: 0.00%	Investment exposure by ESG controversy flag: Green: 0–100% Yellow: 0–100% Orange: 0–100% Red: 0–100%
CSAM ESG exclusions***	Pre- and post-trade checks are in place to detect investments that breach the ESG exclusions. Any detected breach is escalated and remedied.	This indicator reflects that the portfolio complied with the applicable ESG exclusions as described in the exclusion section of the website (during the entire reference period, CSAM adhered to ESG exclusion criteria, as stated in the CSAM Sustainable Investing Policy)

** None of the Sustainability Indicators were subject to an assurance provided by an auditor or a review by a third party.*
*** These categories can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.*
**** Note that the amount of investments that were restricted due to the ESG exclusions depend on the investable universe of the Subfund.*

…and compared to previous periods?

A comparison of the portfolio's performance of the sustainability indicators compared to previous periods will be available as of the next reference period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

At the end of the reference period, the sustainable investments contributed to the Environmental and Social objectives below:

- Investments that generated at least 50% of their revenues from products and services that contribute to a social objective (e.g. nutrition, disease treatments, sanitation, affordable real estate, SME finance, education, connectivity etc.).
- Investments that generated at least 50% of their revenues from products and services that contribute to a social objective (e.g. nutrition, disease treatments, sanitation, affordable real estate, SME finance, education, connectivity etc.)
- Investments that have an approved commitment to science-based emission targets and an average reduction in carbon emissions intensity of 7% over the last three years.

The above criteria were assessed using a quantitative methodology. If there had not been an output from the quantitative assessment (e.g. in the case of missing quantitative ESG data), investments were submitted for confirmation in a case-by-case approach based on a proprietary assessment of the criteria. A central Credit Suisse Group committee approved such submissions.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Credit Suisse Asset Management (CSAM) considered various indicators linked to principal adverse impacts on sustainability factors (PAI Indicators) and further indicators from its exclusion framework to assess whether sustainable investments caused significant harm to any environmental or social investment objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the PAI Indicators applied by CSAM to identify investments which qualify as SFDR Sustainable Investments in line with CS SFDR Sustainable Investment Methodology included a set of criteria and thresholds to determine if an investment passed the DNSH condition as follows:

Investments must not:

1. have a significant negative contribution to climate change. This criterion makes use of an indicator that flags the biggest emitters of greenhouse gas globally and relates to PAI 1, 2, 3 and 15.
2. be subject to norms-, value and business conduct exclusions and other investment restrictions which address PAI 4, 10, 14 and 16.
3. be subject to severe ESG controversies which address PAI 7 and 10 where applicable.
4. be strongly lagging its industry peers in overall ESG performance. This criterion has been applied to cover the remainder of the PAI to the extent possible.

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

Sustainable Investments were aligned with the 'OECD Guidelines for Multinational Enterprises' and the 'UN Guiding Principles on Business and Human Rights'. The alignment was assessed through the CS business conduct framework as part of the CS ESG Exclusion framework.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides the exposure to all mandatory PAI from the Commission Delegated Regulation (EU) 2022/1288. The Adverse Sustainability Indicator/Metric values are calculated as an average based on quarterly data representing the reference period from 01.06.2022 - 31.05.2023.

Please note that CSAM may choose or may not be able to consider and/or mitigate all of the herein reported PAI given the Subfund's investment strategy, asset class or the availability of reliable data. Consideration of PAI may be subject to change given evolving data availability and quality. Please refer to the EET for the most recent overview of which PAI are considered at Subfund level.

Please refer to the CSAM ESG website (www.credit-suisse.com/esg) to get further information on the CSAM PAI framework including potential limitations in the methodology to consider PAI.

Adverse Sustainability Indicator / Metric	Impact *	Eligible Assets (%) **	Data Coverage (%) ***
Indicators applicable to investments in investee companies			
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS			
GHG Emissions			
1. GHG emissions Scope 1 (in metric tons)	18'997.32	99.00	99.00
1. GHG emissions Scope 2 (in metric tons)	9'992.91	99.00	99.00
1. GHG emissions Scope 3 (in metric tons)	317'418.69	99.00	99.00
1. GHG emissions Total (in metric tons)	346'077.92	99.00	99.00
2. Carbon footprint (Scope 1,2 and 3 in metric tons per EUR million invested)	134.85	99.00	99.00
3. GHG intensity of investee companies (Scope 1,2, and 3 in metric tons per EUR million revenue)	501.05	99.00	98.26
4. Exposure to companies active in the fossil fuel sector (in percent) ****	0.00	99.00	99.00
5. Share of nonrenewable energy consumption and production (in percent)	38.71	99.00	46.57
6.A. Energy consumption intensity per high impact climate sector - NACE A (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.B. Energy consumption intensity per high impact climate sector - NACE B (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.C. Energy consumption intensity per high impact climate sector - NACE C (in GWh per EUR million revenue) *****	0.03	99.00	51.40
6.D. Energy consumption intensity per high impact climate sector - NACE D (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.E. Energy consumption intensity per high impact climate sector - NACE E (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.F. Energy consumption intensity per high impact climate sector - NACE F (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.G. Energy consumption intensity per high impact climate sector - NACE G (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.H. Energy consumption intensity per high impact climate sector - NACE H (in GWh per EUR million revenue) *****	0.00	99.00	51.40
6.L. Energy consumption intensity per high impact climate sector - NACE L (in GWh per EUR million revenue) *****	0.00	99.00	51.40
Biodiversity			
7. Activities negatively affecting biodiversity sensitive areas (in percent)	0.00	99.00	99.00
Water			
8. Emissions to water (in metric tons, per million EUR invested)	0.42	99.00	0.43
Waste			
9. Hazardous waste ratio (in metric tons, per million EUR invested)	1.15	99.00	16.22

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			
Social and employee matters			
10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	0.00	99.00	99.00
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	78.07	99.00	98.94
12. Unadjusted gender pay gap (in percent of male gross earnings)	4.00	99.00	22.85
13. Board gender diversity (female board members, expressed as a percentage of all board members)	29.81	99.00	99.00
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (in percent)	0.00	99.00	99.00
Indicators applicable to investments in sovereigns and supranationals			
Environmental			
15. GHG intensity (Scope 1, 2, and 3 in metric tons per EUR million GDP)	0.00	0.00	0.00
Social			
16. Investee countries subject to social violations (absolute)	0.00	0.00	0.00
16. Investee countries subject to social violations (relative)	0.00	0.00	0.00
Indicators applicable to investments in real estate assets			
Fossil fuels			
17. Exposure to fossil fuels through real estate assets (in percent)	n/a	0.00	0.00
Energy efficiency			
18. Exposure to energy-inefficient real estate assets (in percent)	n/a	0.00	0.00

** Impact: The value represents non-normalized portfolio level exposure to a given PAI indicator. This means that the PAI values use the actual weights of portfolio exposures.*
*** Eligible Assets: Percentage of AUM of the entire portfolio (including cash) for which the PAI is applicable. As an example, government bonds held by the fund cannot be measured against PAI indicators applicable to an investee company.*
**** Data coverage: Percentage of AUM of the entire portfolio for which PAI indicator data is available.*
***** Flags the companies with exposure to fossil fuels related activities, including extraction, processing, storage and transportation of fossil fuels.*
****** The coverage of the PAI 6 are limited to the 9 high impact climate sectors defined by SFDR.*



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.05.2023

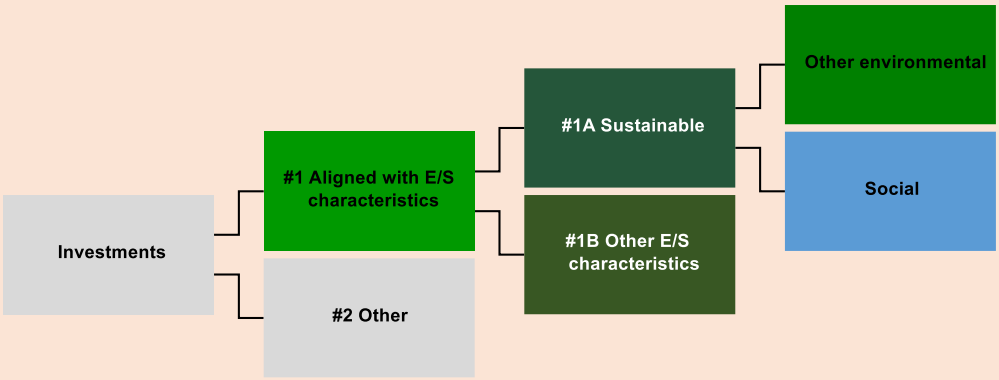
Largest investments *	NACE Sector code	% Assets	Country
FAIR ISAAC CORP	J. Information and communication	3.06	United States of America
VERISK ANALYTICS INC	K. Financial and insurance activities	2.98	United States of America
PALO ALTO NETWORKS INC	J. Information and communication	2.90	United States of America
EXPERIAN PLC	N. Administrative and support service activities	2.86	Ireland
EQUIFAX INC	N. Administrative and support service activities	2.83	United States of America
INTUITIVE SURGICAL INC	C. Manufacturing	2.81	United States of America
THERMO FISHER SCIENTIFIC INC	C. Manufacturing	2.76	United States of America
HALMA PLC	C. Manufacturing	2.76	United Kingdom
STERIS	C. Manufacturing	2.76	Ireland
FORTINET INC	J. Information and communication	2.73	United States of America
IDEXX LABORATORIES INC	M. Professional, scientific and technical activities	2.71	United States of America
METTLER TOLEDO INC	C. Manufacturing	2.67	United States of America
NICE ADR REPRESENTING LTD	J. Information and communication	2.64	Israel
DEXCOM INC	C. Manufacturing	2.59	United States of America
CYBER ARK SOFTWARE LTD	J. Information and communication	2.52	Israel

** Look-through enabled where possible, excl. cash and derivatives. Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period.*

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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 were neither aligned with the environmental or social characteristics, nor qualified as sustainable investments.

Please refer to the section "What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?" for further information. The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that did not qualify as sustainable investments.

The proportion of investments used to meet the environmental or social characteristics promoted by this Subfund (category #1 above) was 98.74% of its total net assets. Within this category the Subfund held a proportion of 21.86% of its total net assets in sustainable investments (category #1A above). The data is valid as of 31.05.2023. It does not represent an average for the reference period.

In which economic sectors were the investments made?

Subfund Sectoral Exposure

NACE Sector Code *	Portfolio Exposure **
C. Manufacturing	36.11%
E. Water supply; sewerage, waste management and remediation activities	3.27%
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	2.41%
J. Information and communication	37.28%
K. Financial and insurance activities	2.98%
M. Professional, scientific and technical activities	10.85%
N. Administrative and support service activities	6.14%
Others	0.97%

** Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.*

*** Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period. The "Other" category can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.*

Subfund Exposure to Fossil Fuels Sub-Sectors

NACE Sector Code *	NACE name	Portfolio Exposure **
B5.1.0	Mining of hard coal	0.00%
B5.2.0	Mining of lignite	0.00%
B6.1.0	Extraction of crude petroleum	0.00%
B6.2.0	Extraction of natural gas	0.00%
B9.1.0	Support activities for petroleum and natural gas extraction	0.00%
C19.2.0	Manufacture of refined petroleum products	0.00%
D35.2.1	Manufacture of gas	0.00%
D35.2.2	Distribution of gaseous fuels through mains	0.00%
D35.2.3	Trade of gas through mains	0.00%
G46.7.1	Wholesale of solid, liquid and gaseous fuels and related products	0.00%

** Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.*
*** Portfolio Exposure as of 31.05.2023. It does not represent an average for the reference period.*

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

As of 31.05.2023, 0% of the Subfund's investments were made into sustainable investments with an environmental objective aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes

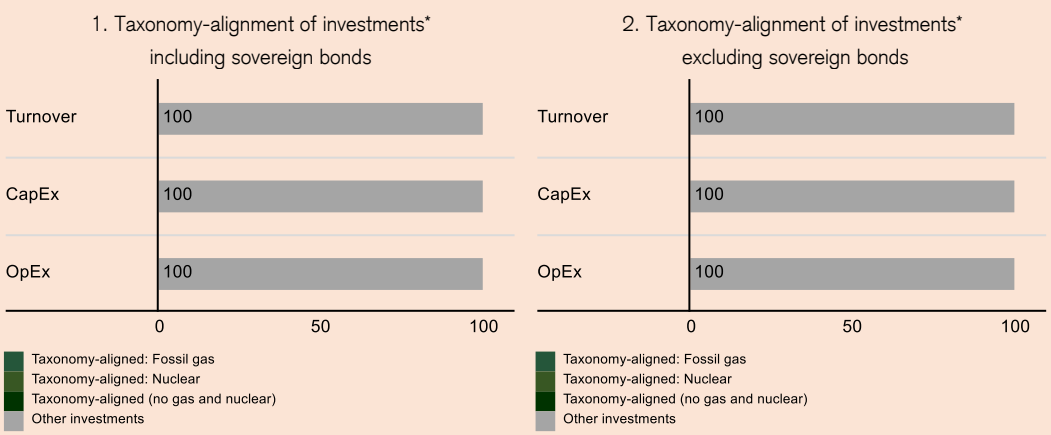
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

The Subfund's reported EU Taxonomy alignment was not subject to assurance or review by a third party.

What was the share of investments made in transitional and enabling activities?

Of the 0% of sustainable investments with an environmental objective aligned with the EU Taxonomy during the Reference Period, 0% were made in transitional activities and 0% in enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

A comparison of the portfolio's investments that were aligned with the EU Taxonomy compared to previous periods will be available as of the next reference period.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

As of 31.05.2023, 17.29% of the Subfund's investments were made into sustainable investments with an environmental objective that was not aligned with the EU Taxonomy.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

As of 31.05.2023, 4.56% of the Subfund's investments were made into socially sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As of 31.05.2023, 1.26% of the Subfund's investments were made into "other".

Investments such as cash, derivatives and structured products may have fallen under "other" since such instruments did not contribute to the E/S characteristics of this Subfund. More information about the portfolio exposure to such investments can be found in the financial section of this annual report. Such investments did not have minimum environmental or social safeguards. They may have been used as efficient portfolio management tools, for cash management, for hedging purposes, or as an additional source of return.

Additionally, investments may have fallen under "other" if insufficient ESG-related information was available. This applied in particular to asset classes for which ESG Factors were insufficiently defined or insufficient ESG related information was available. Where possible, minimum environmental or social safeguards have been applied to these underlying securities by ensuring that CSAM ESG exclusions were adhered to.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To attain the environmental or social characteristics promoted by this Subfund, this Subfund applied ESG Exclusions, ESG Integration and Active Ownership.

This Subfund excluded investments in companies of the following categories:

- Norms-based Exclusions

This Subfund excluded companies that failed to comply with international treaties on controversial weapons such as the Convention on Cluster Munitions, the Chemical Weapons Convention, the Biological Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). In addition, it excluded companies that are recommended for exclusions by the Swiss Association for Responsible Investments (SVVK-ASIR) in respect to APM (anti-personnel mines), cluster munitions and nuclear weapons (outside of NPT).

- Values-based Exclusions

This Subfund excluded companies that derived more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment. It excluded companies that derived more than 20% of their revenue from tobacco distribution and conventional weapons support systems and services. In addition, a revenue limit of 20% applied to investments in coal (coal mining and coal-based electricity generation).

- Business-conduct Exclusions

Companies found to systematically violate international norms, where the breaches were particularly severe, or where management was not open to implement necessary reforms, were placed on a watch list, and may have been excluded from the Credit Suisse-wide investment universe. This process was governed by a dedicated committee that maintained the list of excluded companies and was responsible for ensuring that the list is communicated to investment teams in a timely manner.

- Restrictions related to LuxFLAG ESG label

To comply with the LuxFLAG ESG label, this Subfund excluded additionally the following companies from the investment universe:

– Tobacco, tobacco-related products and supporting services: Companies that derive more than 5% of their annual revenue from production and all companies that derive more than 15% of their annual revenue from sales and distribution are excluded.

ESG Factors were integrated into the investment process in the following four main steps:

- Identification of material ESG Factors

First, the Investment Manager used materiality frameworks to identify those ESG Factors that are relevant to the investment strategy. Materiality frameworks are concepts that help to identify sustainability-related issues and opportunities that are likely to affect the financial condition or operating performance of companies within an industry. Material factors have been furthermore assessed based on the Subfund's sector and geographical exposure. Second, the Investment Manager prioritized the material factors that were most relevant to the subsequent investment decisions based on the portfolio's current market exposure.

- ESG security analysis

Based on the identified material ESG Factors, the Investment Manager performed security research across the Subfund's investment universe. The Investment Manager made use of ESG ratings from third-party service providers and combined them with CSAM's proprietary analyses and information. These included, e.g. ESG related news, ESG ratings and scores, ESG-related controversies, and ESG trends.
The ESG data are fully integrated in the portfolio management software. The CSAM sustainable investing team may offer additional support, where needed, and advise on access to other ESG data providers.
The outcome of the ESG analysis of individual securities, combined with financial research, enabled the Investment Managers to make ESG-adjusted risk/return assessments. This enabled the Investment Manager to compare securities on an ESG-adjusted basis and to evaluate whether to keep certain securities in the portfolio or to sell them during the security selection and portfolio implementation stage. The ESG security analysis has been updated periodically.

- Security selection and portfolio implementation

Based on the identified material ESG Factors and the ESG-adjusted security analysis, the Investment Manager constructed a portfolio in accordance with the Subfund's investment process and principles. The ESG-adjusted security analysis combined with portfolio construction considerations has been used to determine appropriate portfolio weights that reflected the ESG-adjusted risk/return profile of the analyzed securities.
The research process might make use of dedicated ESG questionnaires with potential follow-up meetings with investee companies in case incomplete data is available from third-party ESG data providers.

- Portfolio monitoring

The Investment Manager monitored the ESG Factors periodically to detect significant changes in the ESG Factors of the underlying securities. They regularly reassessed the portfolio, taking into consideration financial and ESG metrics, and consequently decided whether to increase or decrease positions in the portfolio.

- Engagement

CSAM engaged with investee companies with the aim of increasing its impact on sustainability issues. Selected companies that were able and willing to take action were subject to engagement and CSAM sought to preserve and/or enhance the value of the companies they invested in, through engagement with issuers. The Active Ownership team defined the topics and issues CSAM wanted to discuss with investee companies. The resulting engagement activities for the reference period of this SFDR annex to the annual report were defined using certain criteria and aimed at companies in which CSAM held considerable investments through its funds. More information about the engagement activities and the most current active ownership report of CSAM can be found online at: www.credit-suisse.com/esg.

- Proxy Voting

Voting rights have been exercised for investee companies which have met the criteria for proxy voting as explained at www.credit-suisse.com/esg.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The Subfund did not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- ***How did this financial product perform compared with the broad market index?***

  Not applicable.

Annex III

ANNEX IV

Template periodic disclosure for financial products referred to in *Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852*

Product name: CT (Lux) Responsible Euro Corporate Bond **Legal entity identifier:** 2138007PU8621E722925

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 83.79% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The overarching philosophy of the Portfolio is to:

- Avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices
- Additionally invest in companies that make a positive contribution to society and/or the environment
- Improve management of ESG issues, using our influence as an investor to encourage best practice through engagement

The fund, while it does not have a sustainable objective, aims to hold a minimum of 25% of the fund in sustainable investments.

Over the period, screens were applied to all fund assets other than Cash, Forward FX, Exchange Traded Futures, OTC Derivatives with the result that companies who fail to meet minimum environmental, or socials standards were excluded from the fund. Over the year, there have been no changes to the screening criteria applied by the fund and no companies held have subsequently failed the screening criteria (for example, owing to new controversies).
The fund invests in companies providing sustainability solutions and/or companies making a positive contribution to society and/or the environment. This investment is primarily achieved through investment in green, sustainable or sustainability-linked bonds issued by companies (so called "Labelled bonds"). All Labelled bonds must be individually assessed by the Investment Manager's Responsible Investment team, which considers the impact to society and/or the environment or the materiality of the sustainability target before they are Approved for investment. Over the period, the fund increased the percentage it holds Labelled bonds from 28% of NAV to 35% of NAV.

The fund continued to engage with investee companies over the period. A breakdown of engagement activity is presented as a sustainability indicator below.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The Investment Manager uses the following indicators to measure the attainment of the environmental and social characteristics promoted by the Portfolio:

1. *The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms*

   The fund did not invest in bonds which breached its standards. Pre-investment each holding was screened by the Responsible Investment team and approved for purchase with ongoing monitoring.

2. *Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)*

   As at 30/09/2022, 48.51% of the portfolio was invested in companies with greater than 50% of net revenues positively aligned with the Sustainable Development Goals[1].

3. *The percentage of the Portfolio which constitutes labelled bonds, including Sustainability-Linked Bonds and Green Bonds*

   As at 30/09/2022, 35.27% of the portfolio was invested in labelled bonds.

4. *The number of environmental- and social-linked engagement objectives and/or milestones that are achieved*

   During the year 144 engagements were undertaken with 53 companies. This resulted in 16 milestones, meaning a company made a tangible improvement in its policies and practices in alignment with our engagement objective(s).

[1] This figure excludes investments made in labelled bonds to avoid double counting.
[2] Measured as holdings where revenue is greater than 50% positively aligned to the SDGs – excluding any labelled bonds

...and compared to previous periods?

Indicator	2022	2021
The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms	0	2
Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)[2]	48.51%	n/a
The percentage of the Portfolio which constitutes labelled bonds, including Sustainability-Linked Bonds and Green Bonds	35.27%	28%
The number of environmental- and social-linked engagement objectives and/or milestones achieved	16	36

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

As at 30/09/2022 the fund had 34.42% of holdings invested in labelled bonds that substantially contributes to sustainable objectives. We require the proceeds to be used in key environmental project categories such as:

1. Renewable energy and transmission
2. Alternative fuels
3. Energy efficiency
4. Clean transport
5. Biodiversity conservation
6. Sustainable waste management
7. Water
8. Green buildings
9. Sustainable land use (forestry and agriculture)

The bond should also comply with IMCA's Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidelines (SBG) or Sustainability-Linked Bond Principles.

A further 49.37% of the portfolio was in bond's issued by companies which generate greater than net 50% of their revenue positively aligned to the Sustainable Development Goals.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio's investment approach assesses that the sustainable investments made by the Portfolio do not significantly harm other sustainable investment objectives in the following ways:

- The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society. These criteria are product- and conduct-based, covering topics such as fossil fuels and weapons, and United Nations Global Compact breaches.

- Through the Investment Manager's investment research, Sustainability Risks and ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues which exist but are not considered significantly harmful.

- For labelled bonds, each bond is reviewed and approved by the responsible investment team to ensure it does not significantly harm sustainability objectives.

  We exclude labelled bonds with:
  - Very poor overall ESG management that presents a serious risk to the integrity of the Portfolio
  - Severe environmental or financial management issues that undermine our confidence in the issuer's ability to fulfil its Green Bond commitments (e.g. major controversies related to the management of environmental projects such as renewables; major controversies in environmental lending means we are not confident in their green projects abilities).

How were the indicators for adverse impacts on sustainability factors taken into account?

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence. The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS)[3].

Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the investment teams endeavour to satisfy that no significant harm has taken place through desk-based qualitative research or issuer engagement. Depending on the materiality of the principal adverse impact indicator, the investment manager will either exclude the issuer or, in limited cases, seek to engage with the issuer to address the harmful practices by taking appropriate action

During 2022 the investment team reviewed all portfolio holdings against the model and discussed the outcomes with the responsible investment team. It was agreed that no significant adverse impacts were identified for the fund.

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

[3] The Regulatory Technical Standards set out three tables detailing principal adverse indicators which have been defined by the European Commission. The tables cover a range of harmful activities across environmental, social and governance areas.

Yes. The Fund explicitly prohibits investment in companies which breach UN Global Compact (UNGC) principles. In addition, the sustainable investments are assessed under the DNSH due diligence against factors which align with UNGC and OECD guidelines to identify any significant harmful practices.

*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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered PAIs in several ways:

1) Through alignment with the fund exclusion policy and screening criteria which relate to the PAIs, including: fossil fuels, biodiversity, deforestation, human rights, global norms, hazardous waste and controversial weapons.

2) Utilising the PAI framework to review issuers against PAIs as per Table 1 in the RTS. This allows us to monitor harmful practices which may arise. No instances of significant harmful practices were identified for the positions held in the portfolio.

3) PAIs align with stewardship activities undertaken by the fund. For example, more than a quarter of engagements undertaken by the fund related to climate change topics. For further details please see question 9.



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Apple Inc. 1.625% 10-NOV-2026	Information Technology	1.50	United States
Societe Generale S.A. 0.875% 22-SEP-2028*	Financials	1.47	France
Volkswagen International Finance NV 0.875% 22-SEP-2028*	Consumer Discretionary	1.20	Netherlands
Deutsche Bank Aktiengesellschaft 1.875% 23-FEB-2028*	Financials	1.1	Germany
PepsiCo, Inc. 0.75% 18-MAR-2027	Consumer Staples	1.02	United States
Koninklijke Philips N.V. 0.5% 22-MAY-2026*	Health Care	1.00	Netherlands
Mondelez International, Inc. 1.625% 08-MAR-2027	Consumer Staples	0.94	United States
Commerzbank AG 1.875% 28-FEB-2028	Financials	0.93	Germany
Vodafone Group Plc 1.875% 20-NOV-2029	Communication Services	0.87	United Kingdom
Experian Finance Plc 1.375% 25-JUN-2026	Information Technology	0.85	United Kingdom
Smurfit Kappa Treasury ULC 1.5% 15-SEP-2027	Materials	0.84	Ireland
CaixaBank SA 0.375% 18-NOV-2026*	Financials	0.84	Spain
Credit Agricole 1.0% 22-APR-2026	Financials	0.83	France
Becton Dickinson Euro Finance SARL 0.632% 04-JUN-2023	Health Care	0.76	United States
Nationwide Building Society 1.5% 08-MAR-2026	Financials	0.72	United Kingdom

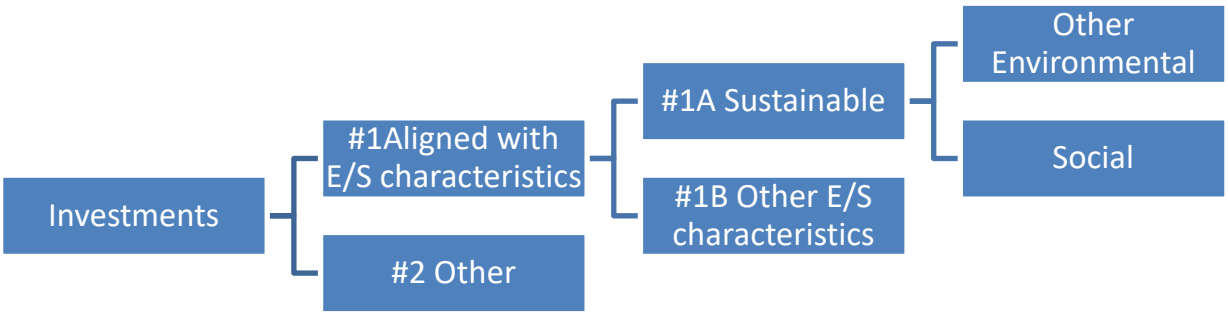
*** Denotes a "Labelled Bond" covering green, sustainable or social bonds**

What was the proportion of sustainability-related investments?
The fund held 83.79% of sustainability-related investments

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects investee companies today.
- **capital expenditure** the "greenness" of (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

In which economic sectors were the investments made?

Sector	% of Net Assets
Financial Services	38.13
Electrical Equipment	7.58
Food & Beverages	7.02
Real Estate	5.95
Insurance	5.68
Telecommunication	5.58
Commercial Services	4.09
Healthcare	4.07
Auto Parts & Equipment	3.95
Packaging & Containers	1.86
Miscellaneous Manufacturers	1.80
Building Materials	1.69
Pharmaceuticals	1.65
Computers	1.50
Media	1.04
Cosmetics & Personal Care	1.00
Semiconductors	0.95
Electrical Component & Equipment	0.93
Water	0.78
Chemicals	0.73
Supranational	0.61
Internet	0.57
Software	0.54
Transportation	0.50
Retail	0.42
Advertising	0.37
Pipelines [4]	0.12
Lodging	0.11
Distribution & Wholesale	0.08

[4] Pipelines includes companies that generate revenue from the transport of natural gas

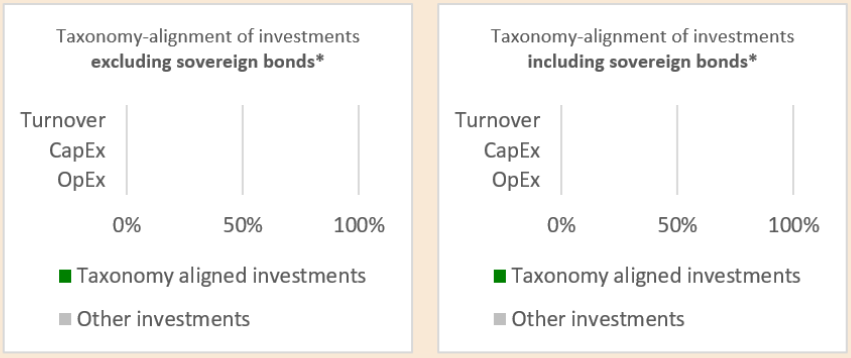
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable investments with an environmental objective made by the fund do not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

The graphs below show in green the percentage of investments that were 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.

Note that for this period no investments have been assessed against the taxonomy.



** For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

The fund has not reported there being any alignment of its investments with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation to date

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

38.14% of the portfolio was invested in sustainable investments which predominantly contribute to an environmental objective. These holdings have not been assessed for taxonomy alignment.

What was the share of socially sustainable investments?

45.65% of the portfolio was invested in sustainable investments which predominantly contribute to a social objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as other refer to investments which contribute to the E/S characteristics of the fund, but are not considered sustainable investments. All investments must contribute to the E/S characteristics of the fund and comply with the fund level exclusions and screening criteria, including good governance. It also includes investment in bonds which do not constitute sustainable investments, cash or cash equivalents. We do not apply minimum safeguards to cash positions.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In Q4 2021, we committed to aligning the fund with net zero emissions by 2050 or sooner. This builds on the existing climate change commitments for the fund, which include the exclusions of companies with fossil fuel reserves and engagement on climate opportunities and risks.
During the year there were 144 engagements with companies held in the portfolio. These covered 53 companies across 11 countries across a range of themes.
One example of engagement in 2022 is with the company Mondelez regarding their net zero strategy. As part of our participation in FAIRR we spoke with senior executives in the sustainability, procurement, and nutrition departments jointly with other investors on the company's progress on protein diversification, sustainability, and strategy. Its net-zero roadmap is being developed with a new emissions baseline for science-based targets and maintaining focus on cocoa and wheat as those are responsible for the majority of emissions. However, as dairy still makes up a significant part of emissions it is reviewing mitigation technologies for feed, animal-generated methane, and manure management. The product transition remains consumer-driven but the company recognises that it would support its broader sustainability agenda. While this recognition is positive, we would prefer that both perspectives are represented in the corporate strategy and board oversight for the protein transition. We sought more details on sales figures for the plant-based products, but this is not yet tracked. We emphasised the need for more detailed metrics on products and climate impact, especially for dairy.
Our engagements are structured in line with the firm's engagement themes which align with the PAIs. Below we provide a breakdown of the engagements undertaken and which PAI categories these typically address. We are updating our engagement tracking and reporting to enable PAI reporting at indicator

level. We note that an engagement may correlate with a number of PAI indicators.

Engagements by Theme	Alignment with PAIs[5]	Proportion of engagements	Milestones Achieved by Theme
Climate Change	GHG Emissions and Energy Performance	28.00%	31.25%
Environmental Stewardship	Biodiversity, Water, Waste	16.40%	12.50%
Business Conduct	Social and Employee Matters	4.40%	0.00%
Human Rights		7.20%	0.00%
Labour Standards		21.60%	37.50%
Public Health		6.80%	6.25%
Corporate Governance		15.60%	12.50%



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable

How does the reference benchmark differ from a broad market index?

Not Applicable

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not Applicable

How did this financial product perform compared with the reference benchmark?

Not Applicable

How did this financial product perform compared with the broad market index?

Not Applicable

[5] Note that themes may align with multiple PAIs. We will update engagement tracking and reporting capabilities to break down engagements by PAIs from 2023

Annex III

ANNEX IV

Template periodic disclosure for financial products referred to in *Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852*

Product name: CT (Lux) Responsible Global Emerging Markets Equity **Legal entity identifier:** 213800BICB11V5TYV922

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 77.03% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The overarching philosophy of the Portfolio is to:

- Avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices
- Invest in companies that make a positive contribution to society and/or the environment

- Improve management of ESG issues, using our influence as an investor to encourage best practice through engagement and voting

The fund, while it does not have a sustainable objective, aims to hold a minimum of 75% of the fund in sustainable investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The Investment Manager uses the following indicators to measure the attainment of the environmental and social characteristics promoted by the Portfolio:

1. *The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms.*

   The fund did not invest in companies which breached its standards. Pre-investment each holding was screened by the Responsible Investment team and approved for purchase with ongoing monitoring.

2. *The percentage of the Portfolio which aligns to its key sustainability themes*

Theme:	Portfolio Weight as at 30/09/22:
Food and nutrition	7.67%
Health and well-being	20.09%
Responsible finance	18.33%
Sustainable infrastructure	5.08%
Technological innovation	46.08%
Total:	97.24%

3. Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)

   77.03% of the portfolio as at 30/09/2022 was invested in companies with greater than 50% of net revenues positively aligned with the Sustainable Development Goals.

4. The number of environmental- and social-linked engagement objectives and/or milestones achieved

   During the year 58 engagements were undertaken with 21 companies. This resulted in 12 milestones, meaning a company made a tangible improvement in its policies and practices in alignment with our engagement objective.

...and compared to previous periods?

Indicator	2022	2021
The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms	0	1
The percentage of the Portfolio which aligns to its key sustainability themes	97.24%	97%
Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)[1]	77.03%	n/a
The number of environmental- and social-linked engagement objectives and/or milestones achieved	12	22

[1] Measured as holdings where revenue is greater than 50% net positively aligned to the SDGs

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

As at 30/09/2022, the fund had 77.03% of holdings invested in companies which align to the Sustainable Development Goals, and are considered sustainable investments.

These investments contribute to a sustainable objective through their contribution to key sustainability themes which have an environmental or social focus, most notably:

1. Health and well-being – Supporting the provision of services to improve personal long-term well-being, e.g. education, health and sanitation
2. Food and nutrition – Helping advance sustainable production and consumption patterns
3. Technological innovation – Delivering technological and connectivity solutions to advance sustainable development
4. Energy transition – Fueling the economy with efficient and affordable energy from both conventional and alternative sources
5. Sustainable infrastructure – Helping build resilient infrastructure in transport, energy, water, communications and other sectors
6. Responsible finance – Providing financial services to advance financial inclusion, small and medium-sized enterprise (SME) development, green finance and sustainable financial markets

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio's investment approach assesses that the sustainable investments made by the Portfolio do not significantly harm other sustainable investment objectives in the following ways:

- The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society. These criteria are product- and conduct-based, covering topics such as fossil fuels and weapons, and United Nations Global Compact breaches.

- Through the Investment Manager's investment research, Sustainability Risks and ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues which exist but are not considered significantly harmful.

How were the indicators for adverse impacts on sustainability factors taken into account?

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence.

The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS)[2]. Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the investment teams endeavor to satisfy that no significant harm has taken place through desk-based qualitative research or issuer engagement.

Depending on the materiality of the principal adverse impact indicator, the investment manager will either exclude the issuer or, in limited cases, seek to engage with the issuer to address the harmful practices by taking appropriate action

During 2022 the investment team reviewed all portfolio holdings against the model and discussed the outcomes with the Responsible Investment team. It was agreed that no significant adverse impacts were identified for the fund.

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

Yes. The Fund explicitly prohibits investment in companies which breach UN Global Compact (UNGC) principles. In addition, the sustainable investments are assessed under the DNSH due diligence against factors which align with UNGC and OECD guidelines to identify any significant harmful practices.

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.

[2] The Regulatory Technical Standards set out three tables detailing principal adverse indicators which have been defined by the European Commission. The tables cover a range of harmful activities across environmental, social and governance areas.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered PAIs in three ways:

1) Through alignment with the fund's exclusion policy and screening criteria which relate to the PAIs, including: fossil fuels, biodiversity, deforestation, human rights, global norms, hazardous waste and controversial weapons.

2) Utilising the PAI framework to review issuers against PAIs as per Table 1 in the RTS. This allows us to monitor harmful practices which may arise. No instances of significant harmful practices were identified for the positions held in the portfolio.

3) PAIs align with stewardship activities undertaken by the fund. For example, the fund took voting action against management at six AGMs during the year due to issues related to diversity. Nearly a quarter of engagements undertaken by the fund related to labour standards, and more than 35% related to climate change or environmental stewardship topics. For further details please see question 9.



What were the top investments of this financial product?

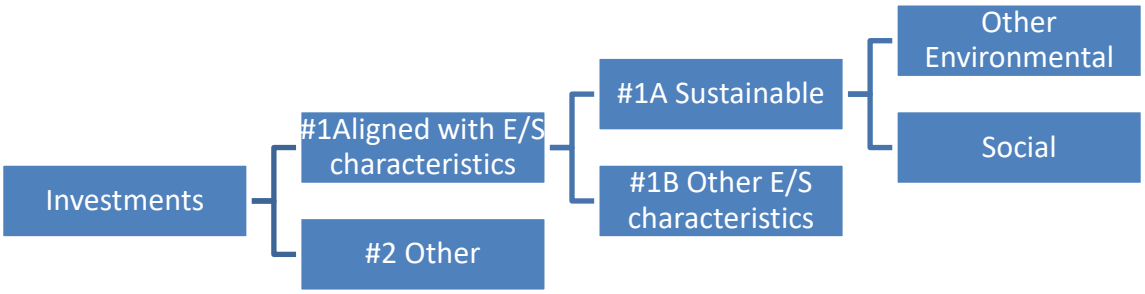
Largest investments	Sector	% Assets	Country
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology	7.66	Taiwan
Tencent Holdings Ltd.	Communication Services	5.96	China
HDFC Bank Limited	Financials	5.24	India
AIA Group Limited	Financials	5.21	Hong Kong
PT Bank Central Asia Tbk	Financials	3.86	Indonesia
NAVER Corp.	Communication Services	3.86	Korea
Techtronic Industries Co., Ltd.	Industrials	3.79	Hong Kong
FPT Corp.	Information Technology	3.78	Vietnam
Haier Smart Home Co., Ltd. Class H	Consumer Discretionary	3.63	China
Tata Consultancy Services Limited	Information Technology	3.50	India
Infosys Limited	Information Technology	3.43	India
Jeronimo Martins, SGPS S.A.	Consumer Staples	3.14	Portugal
Ping An Insurance (Group) Company of China, Ltd. Class H	Financials	2.93	China
Marico Limited	Consumer Staples	2.92	India
Torrent Pharmaceuticals Ltd	Health Care	2.81	India

What was the proportion of sustainability-related investments?
The fund held 77.03% of sustainability-related investments

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects investee companies today.
- **capital expenditure** the "greenness" of (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

In which economic sectors were the investments made?

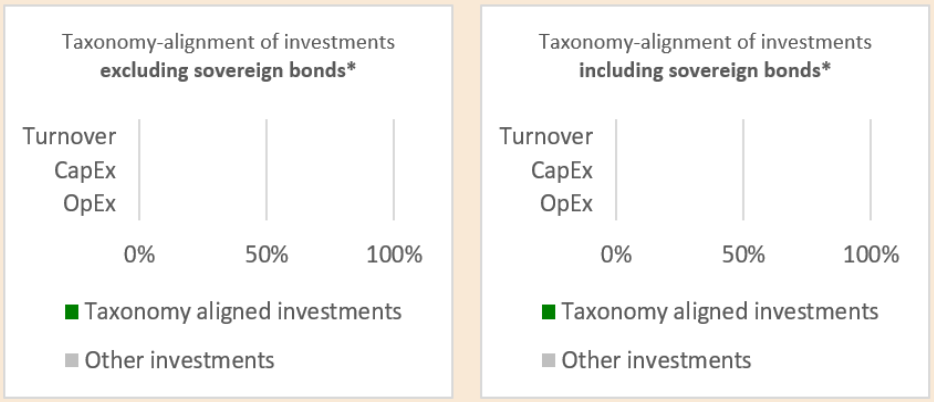
Sector	% of Net Assets
Internet	15.60
Financial Services	13.31
Computers	13.15
Insurance	10.18
Semiconductors	9.82
Food & Beverages	7.01
Pharmaceuticals	4.99
Biotechnology	4.71
Retail	4.17
Machinery-Diversified	3.79
Electrical Equipment	3.63
Commercial Services	2.92
Healthcare	2.88
Cosmetics & Personal Care	1.10
Transportation	1.08
Telecommunication	0.18

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

The sustainable investments with an environmental objective made by the fund do not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.
Based on reliable data that has made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

The graphs below show in green the percentage of investments that were 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.

Note that for this period no investments have been assessed against the taxonomy.



** For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments made in transitional and enabling activities?***

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

The fund has not reported there being any alignment of its investments with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation to date

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

9.85% of the portfolio was invested in sustainable investments which predominantly contribute to an environmental objective.

What was the share of socially sustainable investments?

67.18% of the portfolio was invested in sustainable investments which predominantly contribute to a social objective

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as other refer to investments which do not constitute sustainable investments but contribute to E/S characteristics, cash or cash equivalents. We do not apply minimum safeguards to cash positions. All other investments must contribute to the E/S characteristics of the fund and comply with the fund-level exclusions and screening criteria, including good governance.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In Q4 2021, we committed to align the fund with net zero emissions by 2050 or sooner. This builds on the existing climate change commitments for the fund, which include the exclusion of companies with fossil fuel reserves and engagement on climate opportunities and risks reinforced by our voting policy.

During the year there were 58 engagements with companies held in the portfolio. These covered 21 companies in 11 countries across a range of themes.

Our engagements are structured in line with the firm's engagement themes which align with the PAIs. Below we provide a breakdown of the engagements undertaken and which PAI categories are typically addressed. We are updating our engagement tracking and reporting to enable PAI reporting at the indicator-level. We note that an engagement may correlate with a number of PAI indicators.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Engagements by Theme	Alignment with PAIs[3]	Proportion of engagements	Milestones Achieved by Theme
Climate Change	GHG Emissions and Energy Performance	20.74%	33.33%
Environmental Stewardship	Biodiversity, Water, Waste	15.56%	16.67%
Business Conduct	Social and Employee Matters	5.19%	8.33%
Human Rights		8.15%	0.00%
Labour Standards		24.44%	8.33%
Public Health		3.70%	0.00%
Corporate Governance		22.22%	33.33%
Diversity – Voting Action		Took voting action against management at two AGMs due to poor board gender diversity	

How did this financial product perform compared to the reference benchmark?

Not applicable

How does the reference benchmark differ from a broad market index?
Not Applicable

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?
Not Applicable

How did this financial product perform compared with the reference benchmark?
Not Applicable

How did this financial product perform compared with the broad market index?
Not Applicable

[3] Note that themes may align with multiple PAIs. We will update engagement tracking and reporting capabilities to break down engagements by PAIs from 2023.

Annex III

ANNEX IV

Template periodic disclosure for financial products referred to in *Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852*

Product name: CT (Lux) Responsible Global Equity **Legal entity identifier:** 213800QUBFOSM6S1V262

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 92.54% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The overarching philosophy of the Portfolio is to:

- Avoid companies with environmentally or socially damaging products, or unsustainable business or governance practices
- Invest in companies that make a positive contribution to society and/or the environment
- Improve management of ESG issues, using our influence as an investor to encourage best practice through engagement and voting

The fund, while it does not have a sustainable objective, aims to hold a minimum of 75% of the fund in sustainable investments.

The CT (Lux) Responsible Global Equity Fund allocated to companies in line with its investment policy during the period. The Fund focuses on 7 sustainability themes, which in turn link well to the UN's Sustainable Development Goals. During the period, the Fund comfortably held more than the minimum 75% in sustainable investments, according to our definition of sustainable investment (see question 4 for further details), as at 30/09/2022 92.54% was held in sustainable investments.

During Q4 2021, we made some amendments to our Responsible Funds' criteria – the exclusionary thresholds that are applied to the Fund. This included enhanced criteria for fossil fuels, electricity generation, nuclear energy, tobacco and weapons.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The Investment Manager uses the following indicators to measure the attainment of the environmental and social characteristics promoted by the Portfolio:

1) *The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms.*

The fund did not invest in companies which breached its standards. Pre-investment each holding was screened by the Responsible Investment team and approved for purchase with ongoing monitoring.

2) *The percentage of the Portfolio which aligns to its key sustainability themes*

97.8% of the portfolio was aligned to its key sustainability themes as at 30/09.2022:

Sustainability theme	% of portfolio aligned
Energy Transition	11.4%
Resource Efficiency	7.2%
Sustainable Cities	8.2%
Health & Wellbeing	23.9%
Connect & Protect	15.9%
Digital Empowerment	17.4%
Sustainable Finance	13.8%
No Theme / Cash	2.2%
Total	100.0%

3) *Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)*

92.54%, as at 30/09/2022, of the portfolio was invested in companies with greater than 50% of net revenues positively aligned with the Sustainable Development Goals.

4) *The number of environmental- and social-linked engagement objectives and/or milestones achieved*

During the year 80 engagements were undertaken with 33 companies. This resulted

in 16 milestones, meaning a company made a tangible improvement in its policies and practices in alignment with our engagement objective.

...and compared to previous periods?

Indicator	2022	2021
The number of companies determined to be in breach of the Portfolio's exclusion criteria and/or global norms	0	0
The percentage of the Portfolio which aligns to its key sustainability themes	97.8%	98.1%
Held companies' revenue alignment with the targets which underpin the Sustainable Development Goals (SDGs)	92.54%	73%
The number of environmental- and social-linked engagement objectives and/or milestones achieved	16	23

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

As a result of the Portfolio's sustainability philosophy, the Portfolio will invest a minimum proportion of 75% (excluding cash, cash equivalents or hedging instruments) in sustainable investments. As at 30/09/2022, the fund had 92.54% of holdings invested in companies with greater than 50% net revenue positively contributing to the Sustainable Development Goals, and which are considered sustainable investments. These investments also align with the fund's sustainable themes as described below.

These investments contribute to a sustainable objective through their contribution to key sustainability themes which have an environmental or social focus, including: energy transition, health and well-being and resource efficiency.

The Investment Manager uses a proprietary framework to assess the extent to which companies prioritise sustainability:

- Additionality: Is the company a leader in its industry, making a real difference to the positive direction of the industry? Here the Investment Manager focuses on and evidences the Portfolio's exposure through our view of high quality, wide most businesses.
- Intentionality: How core is sustainability to the company's strategy and overall raison d'être? Here the Investment Manager leverages our extensive engagement capability to assess the company's transparency and communication around strategic goals, which will evidence the management team's and Board's intentions in prioritising these issues/opportunities.
- Materiality: How material are sustainability opportunities for the company? In addition to assessing revenue alignment to the Sustainable Development Goals, the Investment Manager makes an assessment of the company's revenue alignment to seven sustainability themes: Environmental Stewardship, Climate Change, Human Rights, Labour Standards, Public Health, Business Ethics and Corporate Governance.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio's investment approach assesses that the sustainable investments made by the Portfolio do not significantly harm other sustainable investment objectives in the following ways:

- The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society through the fund's exclusion policy. These criteria are product- and conduct-based, covering topics such as fossil fuels and weapons, and United Nations Global Compact breaches.

- Through the Investment Manager's investment research, Sustainability Risks and ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues which exist but are not considered significantly harmful.

How were the indicators for adverse impacts on sustainability factors taken into account?

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence.

The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS)[1].

Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the investment teams endeavour to satisfy that no significant harm has taken place through desk-based qualitative research or issuer engagement.

Depending on the materiality of the principal adverse impact indicator, the investment manager will either exclude the issuer or, in limited cases, seek to engage with the issuer to address the harmful practices by taking appropriate action

During 2022 the investment team reviewed all portfolio holdings against the model and discussed the outcomes with the responsible investment team. It was agreed that no significant adverse impacts were identified for the fund. Details of PAI engagement are detailed later in this report.

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

Yes. The Fund explicitly prohibits investment in companies which breach UN Global Compact (UNGC) principles. In addition, the sustainable investments are assessed under the DNSH due diligence against factors which align with UNGC and OECD guidelines to identify any significant harmful practices.

[1] The Regulatory Technical Standards set out three tables detailing principal adverse indicators which have been defined by the European Commission. The tables cover a range of harmful activities across environmental, social and governance areas.

*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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered PAIs in several ways:

- Through alignment with the fund's exclusion policy and screening criteria which relate to the PAIs, including: fossil fuels, biodiversity, deforestation, human rights, global norms, hazardous waste and controversial weapons.

- Utilising the PAI framework to review issuers against PAIs as per Table 1 in the RTS. This allows us to monitor harmful practices which may arise. No instances of significant harmful practices were identified for the positions held in the portfolio.

- PAIs align with stewardship activities undertaken by the fund. For example, the fund took voting action against management at six AGMs during the year due to issues related to diversity. More than a quarter of engagements undertaken by the fund related to labour standards, and more than 35% related to climate change or environmental stewardship topics. For further details please see question 9.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

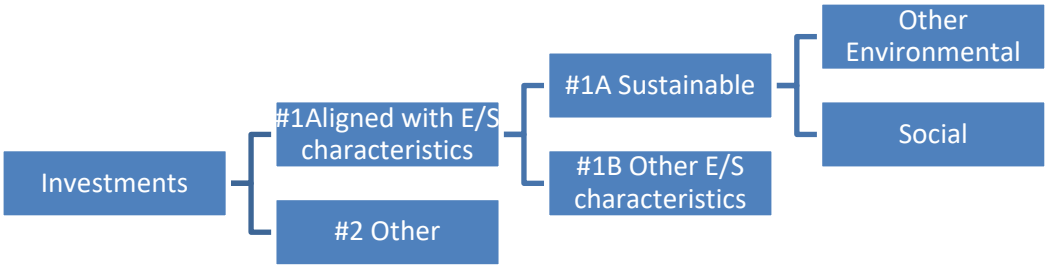
Company	Sector	% of portfolio	Country
Apple	Information Technology	6.55	United States
Linde	Materials	4.45	United States
Thermo Fisher Scientific	Health Care	4.18	United States
Accenture	Information Technology	3.43	United States
Humana	Health Care	3.31	United States
Mastercard	Information Technology	3.29	United States
Roper Technologies	Information Technology	2.70	United States
CVS Health	Health Care	2.60	United States
Autodesk	Information Technology	2.59	United States
Schneider Electric	Industrials	2.56	France
Mettler-Toledo International	Health Care	2.47	United States
AstraZeneca	Health Care	2.37	United Kingdom
CSL	Health Care	2.37	Australia
Intercontinental Exchange Group	Financials	2.34	United States
Becton Dickinson & Co	Health Care	2.33	United States

What was the proportion of sustainability-related investments?

The fund held 92.54% of sustainability-related investments

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



In which economic sectors were the investments made?

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects investee companies today.
- **capital expenditure** the "greenness" of (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

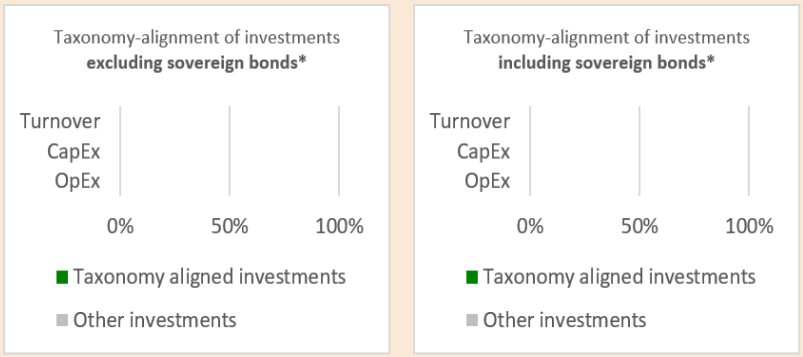
Sector	% of Net Assets
Financial Services	*12.93*
Computers	*12.13*
Semiconductors	*9.08*
Healthcare	*7.47*
Pharmaceuticals	*7.3*
Chemicals	*6.72*
Software	*5.28*
Machinery-Diversified	*4.84*
Electrical Component & Equipment	*4.74*
Insurance	*4.26*
Real Estate	*3.5*
Food & Beverages	*2.44*
Biotechnology	*2.36*
Miscellaneous Manufacturers	*2.21*
Media	*2.12*
Retail	*1.99*
Commercial Services	*1.67*
Office & Business Equipment	*1.50*
Leisure & Tourism	*1.44*
Electrical Equipment	*1.37*
Forest Products & Paper	*1.33*
Internet	*1.32*
Auto Parts & Equipment	*1.21*

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

The sustainable investments with an environmental objective made by the fund do not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.
Based on reliable data that has made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

The graphs below show in green the percentage of investments that were 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.

Note that for this period no investments have been assessed against the taxonomy.



** For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

The fund has not reported there being any alignment of its investments with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation to date

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

19.35% of the portfolio was invested in sustainable investments which predominantly contribute to an environmental objective and have not been assessed against the taxonomy.



What was the share of socially sustainable investments?

73.19% of the portfolio was invested in sustainable investments which predominantly contribute to a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as other refer to investments which do not constitute sustainable investments but contribute to E/S characteristics, cash or cash equivalents. We do not apply minimum safeguards to cash positions. All other investments must contribute to the E/S characteristics of the fund and comply with the fund-level exclusions and screening criteria, including good governance.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In Q4 2021, we committed to align the fund with net zero emissions by 2050 or sooner. This builds on the existing climate change commitments for the fund, which include the exclusion of companies with fossil fuel reserves and engagement on climate opportunities and risks reinforced by our voting policy.
During the year there were 80 engagements with companies held in the portfolio. These covered 33 companies in 10 countries across a range of themes.
Our engagements are structured in line with the firm's engagement themes which align with the PAIs. Below we provide a breakdown of the engagements undertaken and which PAI categories are typically addressed. We are updating our engagement tracking and reporting to enable PAI reporting at the indicator-level. We note that an engagement may correlate with a number of PAI indicators.

Engagements by Theme	Alignment with PAIs[2]	Proportion of engagements	Milestones Achieved by Theme
Climate Change	GHG Emissions and Energy Performance	18.02%	25.00%
Environmental Stewardship	Biodiversity, Water, Waste	17.44%	25.00%
Business Conduct	Social and Employee Matters	4.07%	6.25%
Human Rights		6.40%	0.00%
Labour Standards		26.16%	12.50%
Public Health		8.72%	6.25%
Corporate Governance		19.19%	25.00%
Diversity – Voting Action		Took voting action against management at six AGMs due to poor board gender diversity or failure to implement appropriate workforce diversity audits	

During the period, we sold a name from the Fund on the basis of ESG concerns. While the company did not breach the Fund's ESG criteria, we had sufficient concerns about the standard of their overseas operations that we ultimately disinvested. We engaged with the company several times (in June 2021, February 2022 and April 2022) but could not gain sufficient comfort on this topic. We referred the issue up to our Responsible Investment Advisory Council, and they decided the best thing to do was to exit the position unless the company was prepared to commit to exit the country in question. The company was

[2] Note that themes may align with multiple PAIs. We will update engagement tracking and reporting capabilities to break down engagements by PAIs from 2023.

not prepared to commit to this in any reasonable timeframe, and so we sold out in July 2022.



How did this financial product perform compared to the reference benchmark?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***
  Not Appliable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***
  Not Appliable

- ***How did this financial product perform compared with the reference benchmark?***
  Not Applicable

- ***How did this financial product perform compared with the broad market index?***
  Not Applicable

Periodic disclosure for financial products referred to in Article 8, paragraph 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: DWS Concept Kaldemorgen

Legal entity identifier: 549300Q2LE5ES354XA11

ISIN: LU0599946893

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ it made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 19.2 % of sustainable investments.
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but did **not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This sub-fund promoted environmental and social characteristics related to climate, governance and social norms as well as sovereign matters through the avoidance of (1) issuers exposed to excessive climate and transition risks, (2) issuers exposed to highest severity of norm issues (i.e. as regards compliance with international standards of corporate governance, human rights and labour rights, customer and environment safety and business ethics), (3) sovereign issuers with high or excessive controversies regarding political and civil liberties, (4) issuers moderately, highly or excessively exposed to controversial sectors and controversial activities, and/or (5) issuers involved in controversial weapons.

This sub-fund further promoted a minimum proportion of sustainable investments with a positive contribution to one or several of the United Nations Sustainable Development Goals (UN SDGs). This sub-fund had not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

No derivatives were used to attain the environmental or social characteristics promoted by the sub-fund.

How did the sustainability indicators perform?

Please see the section entitled “What actions have been taken to meet the environmental and/or social characteristics during the reference period?” for detailed descriptions of the binding elements of the investment strategy used to select the investments for attaining the environmental and/or social characteristics promoted and the assessment methodology for determining whether and to what extent assets and indicators met the defined ESG standards.

The ESG ratios are calculated based on the valuation prices for the assets, which are recorded in the front office system. This can lead to slight variations from the other market prices presented in the annual report, which are taken from the fund accounting system.

DWS Concept Kaldemorgen

Indicators	Description	Performance
Sustainability indicators		
Climate and Transition Risk Assessment A		2.19 % of assets
Climate and Transition Risk Assessment B		9.06 % of assets
Climate and Transition Risk Assessment C		44.32 % of assets
Climate and Transition Risk Assessment D		21.41 % of assets
Climate and Transition Risk Assessment E		0 % of assets
Climate and Transition Risk Assessment F		0 % of assets
ESG Quality Assessment A		33.46 % of assets
ESG Quality Assessment B		16.38 % of assets
ESG Quality Assessment C		26.52 % of assets
ESG Quality Assessment D		4.35 % of assets
ESG Quality Assessment E		1.08 % of assets
ESG Quality Assessment F		0 % of assets
Norm Assessment A		9.32 % of assets
Norm Assessment B		6.94 % of assets
Norm Assessment C		23.12 % of assets
Norm Assessment D		19.07 % of assets
Norm Assessment E		3.79 % of assets
Norm Assessment F		0 % of assets
Sovereign Freedom Assessment A		7.29 % of assets
Sovereign Freedom Assessment B		12.43 % of assets
Sovereign Freedom Assessment C		0 % of assets
Sovereign Freedom Assessment D		0 % of assets
Sovereign Freedom Assessment E		0 % of assets
Sovereign Freedom Assessment F		0 % of assets
Involvement in controversial sectors		
Civil firearms C		0 % of assets
Civil firearms D		0 % of assets
Civil firearms E		0 % of assets
Civil firearms F		0 % of assets
Coal C		3.42 % of assets
Coal D		0 % of assets
Coal E		0 % of assets
Coal F		0 % of assets
Military Defense C		1.59 % of assets
Military Defense D		0 % of assets
Military Defense E		0 % of assets
Military Defense F		0 % of assets
Oil sands C		0 % of assets
Oil sands D		0 % of assets
Oil sands E		0 % of assets
Oil sands F		0 % of assets
Tobacco C		0 % of assets
Tobacco D		0 % of assets
Tobacco E		0 % of assets
Tobacco F		0 % of assets
Involvement in controversial weapons		
Anti-personnel mines D		0 % of assets
Anti-personnel mines E		0 % of assets
Anti-personnel mines F		0 % of assets
Cluster munitions D		0 % of assets
Cluster munitions E		0 % of assets
Cluster munitions F		0 % of assets
Depleted uranium weapons D		0 % of assets
Depleted uranium weapons E		0 % of assets
Depleted uranium weapons F		0 % of assets
Nuclear weapons D		0 % of assets
Nuclear weapons E		0 % of assets
Nuclear weapons F		0 % of assets
Principal Adverse Impact		

DWS Concept Kaldemorgen

Indicators	Description	Performance
PAII - 02. Carbon Footprint - EUR	The carbon footprint is expressed as tonnes of CO2 emissions per million EUR invested. The CO2 emissions of an issuer are normalised by its enterprise value including cash (EVIC)	282,62 tCO2e/M€
PAII - 03. Carbon Intensity	Weighted average carbon intensity scope 1+2+3	623,61 tCO2e/M€
PAII - 04. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	3.63 % of assets
PAII - 10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0 % of assets
PAII - 14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0 % of assets

As of: December 30, 2022

The Principal Adverse Impact Indicators (PAII) are calculated on the basis of information available within DWS back-office and front-office systems, that are amongst others based on information sourced from external ESG data vendors. In case individual securities or issuers related to such securities do not have information related to an individual PAII, either through a lack of data availability or through the non-applicability of the PAII to that individual issuer or security, the PAII calculation methodology for individual indicators may consider such securities or issuers with a value of 0. For Target Fund investments, a “look-through” into target fund holdings is performed subject to data availability, amongst others related to reasonable actual information of target fund holdings as well as the related security or issuer information. The calculation methodology for the individual PAII indicators may change in subsequent reporting periods as a consequence of evolving market standards, a change of treatment of securities of specific instrument types (such as derivatives), an increase in data coverage or through regulatory clarifications.

DWS ESG-Assessment Scale

In the following assessment categories, the assets received one of six possible scores, with “A” being the best score and “F” being the worst score

Criteria	Involvement in controversial sectors[1]	Involvement in controversial weapons	Norm Assessment[6]	ESG Quality Assessment	SDG-Assessment	Climate & Transition Risk Assessment
A	Non-involvement	Confirmed non-involvement	Confirmed no issues	True leader in ESG (≥ 87.5 DWS ESG score)	True SDG contributor (≥ 87.5 SDG score)	True climate leader (≥ 87.5 score)
B	Remote involvement	Alleged		ESG leader (75–87.5 DWS ESG score)	SDG contributor (75–87.5 SDG score)	Climate solution provider (75–87.5 score)
C	0% – 5%	Dual-Purpose[2]	Violations of lesser degree	ESG upper midfield (50–75 DWS ESG score)	SDG upper midfield (50–75 SDG score)	Low transition risk (50–75 score)
D	5% – 10% (coal: 5% -15%)	Owning[3]/Owned[4]		ESG lower midfield (25–50 DWS ESG score)	SDG lower midfield (25–50 SDG score)	Mod. transition risk (25–50 score)
E	10% – 25% (coal: 15% - 25%)	Component[5] producer	High severity or re-assessed highest severity[7]	ESG laggard (12.5–25 DWS ESG score)	SDG obstructer (12.5–25 SDG score)	High transition risk (12.5–25 score)
F	≥ 25%	Weapon producer	Highest severity/ global compact violation[8]	True laggard in ESG (0–12.5 DWS ESG score)	Significant SDG obstructer (0–12.5 SDG score)	Excessive transition risk (0–12.5 score)

(1) Revenue share thresholds as per standard scheme. Sub-Granularity available: Thresholds can be individually set.
(2) Encompasses e.g., weapon-carrying systems such as combat aircraft that carry non-controversial weapons as well as controversial ones
(3) Owning more than 20% equity.
(4) Being owned by more than 50% of company involved in grade E or F.
(5) Single purpose key component.
(6) Includes ILO controversies as well as corporate governance and product issues.
(7) In its ongoing assessment, DWS takes into account the violation(s) of international standards – observed via data from ESG data vendors – such as the UN Global Compact, but also possible ESG data vendor errors identified, future expected developments of these violations as well as the willingness of the issuer to engage in dialogue regarding corporate decisions in this regard.
(8) An F-grade can be considered a reconfirmed violation of the United Nations Global Compact rule framework for corporate behavior.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund invested partially in sustainable investments according to article 2(17) SFDR. Such sustainable investments contributed to at least one of the UN SDGs that relate to environmental and/or social objectives, such as the following (non-exhaustive list):

- Goal 1: No poverty
- Goal 2: Zero hunger
- Goal 3: Good health and well-being
- Goal 4: Quality education
- Goal 5: Gender equality
- Goal 6: Clean water and Sanitation
- Goal 7: Affordable and clean energy
- Goal 10: Reduced inequality
- Goal 11: Sustainable cities and communities
- Goal 12: Responsible consumption
- Goal 13: Climate action
- Goal 14: Life below water
- Goal 15: Life on land

The extent of contribution to individual UN SDGs varied based on the actual investments in the portfolio.

DWS measured the contribution to the UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity can be considered as sustainable. Via this assessment, the sub-fund management evaluated (1) whether an economic activity contributed to one or several of the UN SDGs, (2) whether the economic activity or other economic activities of that company significantly harmed any of these objectives (Do Not Significantly Harm (DNSH) assessment) and (3) whether the company as such was in line with the DWS safeguard assessment.

The sustainability investment assessment used data from multiple data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to determine if an activity was sustainable. Activities that contributed positively to the UN SDGs were measured in terms of revenues, capital expenditure (CapEx) and/or operational expenditure (OpEx). If a positive contribution was determined, the activity was considered sustainable if the company passed the DNSH assessment and complied with the DWS safeguard assessment (as detailed in the section “Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?”.)

The sub-fund did not commit to target a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The DNSH assessment was integral part of the sustainability investment assessment and evaluated whether an economic activity with a contribution to an UN SDG caused significant harm to any of these objectives. In case that a significant harm was identified, the economic activity failed the DNSH assessment and could not be considered as sustainable economic activity.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the DNSH assessment under article 2(17) SFDR, the sustainability investment assessment systematically integrated all mandatory principal adverse indicators from Table 1 and relevant indicators from Tables 2 and 3 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR). Taking into account these adverse impacts, DWS established quantitative thresholds and/or qualitative values to determine if an investment significantly harmed any of the environmental or social objectives. These values were set based upon various external and internal factors, such as data availability or market developments.

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

As part of its sustainability investment assessment, DWS further evaluated through its safeguard assessment the alignment of a company with international norms. This included checks in relation to adherence to international norms, for example, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact and the standards of the International Labour Organization. Companies with assessed and reconfirmed highest violations of one of the international norms were considered as non-compliant to the safeguards and their economic activities could not be considered sustainable.

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 Union Criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union Criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union Criteria for environmentally sustainable economic activities.

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



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund management considered the following principle adverse impacts on sustainability factors from Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation:

• Carbon footprint (no. 2);
• GHG intensity of investee companies (no. 3);
• Exposure to companies active in the fossil fuel sector (no. 4);
• Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
• Exposure to controversial weapons (no. 14).

The above principal adverse impacts were considered at product level through the exclusion strategy for the sub-fund's assets that were aligned with environmental and social characteristics via the proprietary ESG assessment methodology as detailed in section "What actions have been taken to meet the environmental and/or social characteristics during the reference period?".

For sustainable investments, the principal adverse impacts were further considered in the DNSH assessment as described above in section "How were the indicators for adverse impacts on sustainability factors taken into account?".

What were the top investments of this financial product?

DWS Concept Kaldemorgen

Largest investments	Breakdown by sector / issuer	in % of average portfolio volume	Breakdown by country
United States of America 22/04.30.24	Bonds	4.2 %	United States
DB ETC/Gold 27.08.60 ETC	Commodities	3.7 %	Germany
XTrackers ETC/Gold 23.04.80	Commodities	2.8 %	Ireland
Deutsche Telekom Reg.	Telecommunications	2.2 %	Germany
E.ON Reg.	Utilities	2.0 %	Germany
Alphabet Cl.C	Technology	1.9 %	United States
AXA	Insurance	1.9 %	France
iShares Physical Metals/Gold und. ETC	Financial Services	1.8 %	Ireland
Microsoft Corp.	Technology	1.8 %	United States
US Treasury 20/30.11.22	Bonds	1.7 %	United States
US Treasury 21/31.08.23	Bonds	1.7 %	United States
AT & T	Telecommunications	1.4 %	United States
KfW 21/16.05.23 MTN	Bonds	1.4 %	Germany
Kreditanst.f.Wiederaufbau 20/19.10.2023 DI	Bonds	1.4 %	Germany
Australia, Commonwealth 20/21.11.24	Bonds	1.3 %	Australia

for the period from January 01, 2022, through December 30, 2022

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
for the period from January 01, 2022, through December 31, 2022

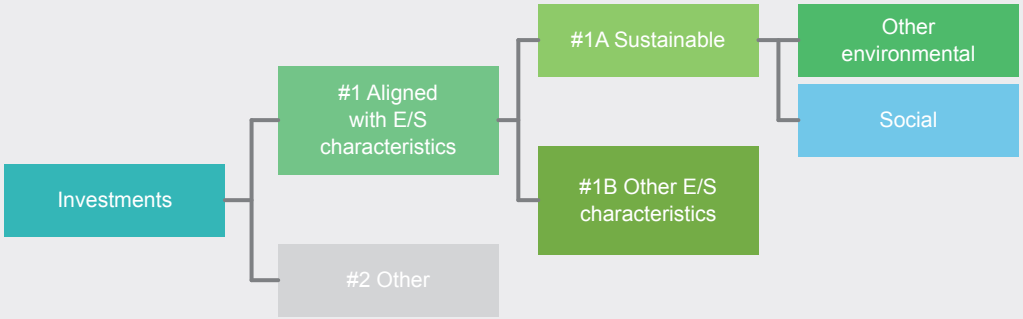
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

This sub-fund invested 85.82% of its net assets in investments that were aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). Within this category, 19.2% of the sub-fund's assets qualified as sustainable investments (#1A Sustainable).

14.24% of the investments were not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this sub-fund can be found in the Special Section of the Sales Prospectus.



#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 category **#1 Aligned with E/S characteristics** covers:
- 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.

In which economic sectors were the investments made?

DWS Concept Kaldemorgen

Breakdown by sector / issuer	in % of portfolio volume
Information Technology	6.56 %
Telecommunication Services	5.87 %
Consumer Discretionaries	13.77 %
Consumer Staples	0.66 %
Financials	8.32 %
Basic Materials	1.23 %
Industrials	3.35 %
Utilities	2.85 %
Companies	11.86 %
Institutions	0.44 %
Central governments	14.56 %
Bond funds	4.75 %
Equity funds	9.62 %
Other funds	1.09 %
Exposure to companies active in the fossil fuel sector	3.63 %

As of: December 31, 2022

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities Directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities Are economic activities for yet low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

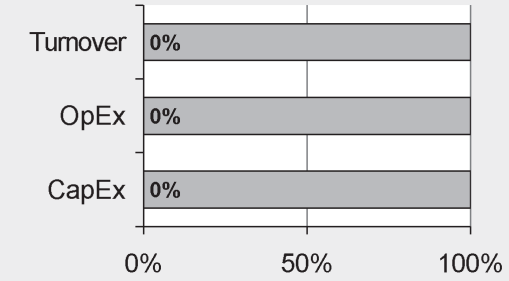
X No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

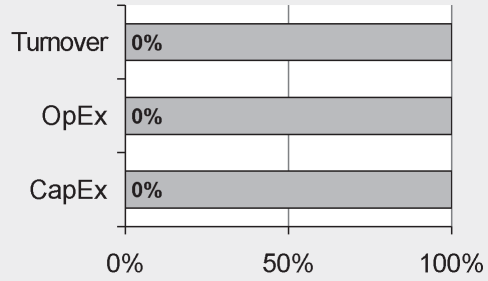
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

2. Taxonomy-alignment of investments **excluding sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Due to a lack of reliable data the sub-fund did not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the percentage of environmentally sustainable investments aligned with the EU Taxonomy was 0% of the sub-fund's net assets. However, there may have been instances in which part of the investments' underlying economic activities were aligned with the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The sub-fund did not have a minimum share of investments in transitional and enabling activities, as it did not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the Regulation (EU) 2020/85.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 19.2% of the net assets of the sub-fund.

What was the share of socially sustainable investments?

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 19.2% of the net assets of the sub-fund.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

This sub-fund promoted a predominant asset allocation in investments that were aligned with environmental and social characteristics (#1 Aligned with E/S characteristics). In addition, and on an ancillary basis, this sub-fund invested into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments could include all asset classes as foreseen in the specific investment policy including cash and derivatives.

In line with the market positioning of this sub-fund, the purpose of these remaining investments was to provide investors with an exposure to non-ESG aligned investments while at the same time ensuring a predominant exposure to environmentally and socially aligned investments. Remaining investments could be used by the portfolio management for performance, diversification, liquidity and hedging purposes.

This sub-fund did not consider any minimum environmental or social safeguards on these remaining investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This sub-fund pursued a strategy based on multiple asset classes as main investment strategy. The sub-fund might invest up to 100% of the sub-fund‘s assets globally in equities, bonds, certificates and money market instruments, deposits with credit institutions, including, but not limited to, equity certificates, index certificates, convertible bonds, inflation-linked bonds, warrant-linked bonds whose underlying warrants are for securities, warrants for securities, dividend-right and participation certificates as well as interest-bearing debt securities, short-term deposits, regularly traded money market instruments and liquid assets. In addition the fund might invest in derivatives for hedging and investment purposes. Up to 20% might be invested into asset backed securities. Further details regarding the main investment strategy are specified in the Special Section of the Sales Prospectus.The sub-fund’s assets were predominantly allocated into investments that complied with the defined standards in respect to the promoted environmental and social characteristics as described in the following sections. The sub-fund’s strategy in relation to the promoted environmental or social characteristics was integral part of the ESG assessment methodology, which was continuously monitored via the sub-fund’s investment guidelines.

ESG assessment methodology

The portfolio management of this sub-fund sought to attain the promoted environmental and social characteristics by assessing potential investments via a proprietary ESG assessment methodology irrespective of economic prospects of success. This methodology was based on the ESG database, which used data from multiple ESG data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to derive combined scores. The ESG database was therefore constituted by data and figures as well as on internal assessments that took into account factors beyond the processed data and figures, such as an issuer’s future expected ESG development, plausibility of the data with regard to past or future events, an issuer’s willingness to engage in dialogues on ESG matters or corporate decisions.

The ESG database derived “A” to “F” letter coded assessments within different categories as further detailed below. Within each category, issuers received one of six possible scores, with "A" being the highest score and "F" being the lowest score. If an issuer’s score in one category was deemed insufficient, the portfolio management was prohibited from investing in that issuer, even if it was eligible according to other categories. For exclusion purposes, each letter score in a category was considered individually and may result might have resulted in exclusion of an issuer.

The ESG database used a variety of assessment categories to assess the attainment of the promoted environmental and social characteristics, including amongst others:

• **DWS Climate and Transition Risk Assessment**

The DWS Climate and Transition Risk Assessment evaluated issuers in relation to climate change and environmental changes, e.g. in respect to greenhouse gas reduction and water conservation. Issuers that contributed less to climate change and other negative environmental changes or were less exposed to such risks received better evaluations. Issuers with excessive climate risk profile (i.e. a letter score of “F”) were excluded as an investment.

• **DWS Norm Assessment**

The DWS Norm Assessment evaluated the behaviour of issuers, for example, within the framework of the principles of the United Nations Global Compact, the standards of the International Labour Organization and behaviour within generally accepted international standards and principles. The Norm Assessment examined, for example, human rights violations, violations of workers' rights, child or forced labour, adverse environmental impacts and business ethics. Issuers with highest severity of norm issues (i.e. a letter score of “F”) were excluded as an investment.

• **DWS Sovereign Assessment**

The DWS Sovereign Assessment evaluated the assessment of political and civil liberties. Sovereign issuers with high or excessive controversies regarding political and civil liberties (i.e. a letter score of “E” or “F”) were excluded as an investment.

• **Exposure to controversial sectors**

The ESG database defined certain business areas and business activities as relevant. Business areas and business activities were defined as relevant if they involve the production or distribution of products in a controversial area ("controversial sectors"). Controversial sectors were defined, for example, as the civil firearms industry, military defence and tobacco. Other business sectors and business activities that affect the production or distribution of products in other sectors were defined as relevant. Other relevant sectors were, for example, coal mining and coal-based power generation. Issuers were evaluated according to the share of total revenues they generate in controversial business areas and controversial business activities. The lower the percentage of revenues from the controversial business areas and controversial business activities, the better the score.

As regards the involvement in tobacco and civil firearms, issuers (excluding target funds) with a moderate, high or excessive exposure (i.e. a letter score of “D”, “E” or “F”) were excluded as an investment.
As regards the involvement in the military defence industry, issuers (excluding target funds) with high or excessive exposure (i.e. a letter score of “E” or “F”) were excluded as an investment.
As regards the involvement in coal mining and coal-based power generation or other controversial sectors and controversial business practices, issuers (excluding target funds) with excessive exposure (i.e. a letter score “F”) were excluded as an investment.

• **Involvement in controversial weapons**
The ESG database assessed a company’s involvement in the business of controversial weapons. Controversial weapons included for example anti-personnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, chemical and biological weapons.
Issuers were assessed based on their degree of involvement (production of controversial weapons, component production, etc.) in the manufacturing of controversial weapons, regardless of total revenues they generate from controversial weapons. Issuers (with the exception of target funds) with medium, high or excessive involvement (i.e., a letter score of "D", "E" or "F") were excluded as an investment.

To the extent that the sub-fund sought to attain the promoted environmental and social characteristics as well as corporate governance practices by means of an investment in target funds, the latter had to meet the DWS standards on Climate and Transition Risk- and Norm Assessment outlined above.
No derivatives were used to attain the environmental or social characteristics promoted by the sub-fund and were therefore not taken into account for the calculation of the minimum share of assets complying with these characteristics. However, derivatives on individual issuers may have only been acquired for the sub-fund if the issuers of the underlying comply with the ESG assessment methodology.

Sustainability investment assessment methodology
Further, for the proportion of sustainable investments DWS measured the contribution to one or several UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity could be considered as sustainable as further detailed in section “What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?”

The applied ESG investment strategy did not pursue a committed minimum reduction of the scope of the investments.

The procedure to assess the good governance practices of the investee companies was based on the DWS Norm Assessment. Accordingly, the assessed investee companies followed good governance practices.

Further, the management company considered active ownership as a strong driver to improve governance, policies and practices, and thus for a better long-term performance of investee companies. Active ownership meant using the position as shareholders to influence the activities or behaviour of the investee companies. An engagement activity could have been initiated with the investee companies regarding matters such as strategy, financial and non-financial performance, risk, capital structure, social and environmental impact as well as corporate governance including topics like disclosure, culture and remuneration. The engagement activity could have been undertaken via, e.g., issuer meetings or engagement letters. Furthermore, for equity investments it could also be an interaction with the company resulting from proxy voting activities or participation at general meetings.



How did this financial product perform compared to the reference sustainable benchmark?

This sub-fund had not designated a reference benchmark to determine whether it was aligned with the environmental and/or social characteristics that it promoted.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Unaudited information (continued)

Annex 4 RTS SFDR / Template periodic disclosure for the financial products referred to in Article 8

Product name: DNCA Invest Eurose

Legal entity identifier: 2138006QOV1H1QGA5J08

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investee companies follow good governance practices.

*The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally **sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.*

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It made **sustainable investments with a social objective:** ___%	☑ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 45,88% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy for 25,08% ☑ with a social objective for 20,81% ☐ It promoted E/S characteristics but **did not make any sustainable investments.**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The characteristics promoted by the Sub-Fund were governance, environment, social and societal criteria.

The management of the Sub-Fund relied on the proprietary analysis tool on environment, social and governance: ABA (Above and Beyond Analysis).

As part of the promotion of such characteristics, the Sub-Fund principally considered the following ESG matters:

- Environment: GHG emissions, airborne pollution, waterborne pollution, water consumption, land use
- Social: Excessive CEO Compensation, gender inequality, health and safety issues, child labor
- Governance: Monitoring corruption and bribery, tax avoidance
- Global ESG quality rating

In this way, for private issuers, the investment process based on stock picking took into account an internal Corporate Responsibility rating thanks to an extra-financial analysis through the ABA tool, with a "best in universe" approach (selection of the investment universe independently of the sectoral activity).

The investment process and resulting stock and bond picking used internal scoring with respect to responsibility of public issuers such as country based on an extra-financial analysis through a proprietary tool developed internally by the

Unaudited information (continued)

Management Company, with a minimum rating approach method. The sub-fund excluded any issuer with an ABA score inferior to 2/10.

In addition, the sub-fund has applied the asset management company's exclusion policy.

The Sub-Fund did not use a benchmark for the purpose of attaining the ESG Characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Sub-Fund includes both private issuers and public issuers.

The sustainability indicators of the Sub-Fund for private issuers were:

- The "Above and Beyond Analysis" ("ABA", the proprietary tool) Corporate Responsibility Score: the main sustainability indicator used by the Sub-Fund is the ABA scoring based on the Corporate Responsibility and divided into four pillars: shareholder responsibility, environmental responsibility, employer responsibility, societal responsibility.
- The Transition to a Sustainable Economy exposure: the asset manager completes this analysis by an assessment of companies' exposure to "Transition to a Sustainable Economy". This exposure is calculated among five pillars: demographic transition, healthcare transition, economic transition, lifestyle transition and ecologic transition.
- Exposure to UN Sustainable Development Goals: the Management Company assesses for each company the part of revenues linked to one of the 17 Sustainable Development Goals of the United Nations.
- Carbon data: carbon footprint (t CO2/m$ invested) of the Sub-Fund's portfolio.
- Carbon intensity (t CO2/m$ revenues) of the Sub-Funds' portfolio.
- The proportion of the Sub-Fund's portfolio in the "worst offenders" list of the Management Company; this list is consisted of the issuers most at risk from a social responsibility point of view. This list is established based on major controversies, after analysis by members of the SRI team, and after validation by the Sustainable Investment Monitoring Committee.

Performance of sustainability indicators for private issuers as of 12/30/2022	
Sustainability indicators	**Performance of the sustainability indicators**
ABA Corporate Responsibility score	5,12/10
Transition to a Sustainable Economy exposure	18,26% of revenues
% Exposure to the SDGs	18,26% of revenues
Carbon footprint	206,17
Carbon intensity	96,12
% "worst offenders" list	0%

The sustainability indicators of the Sub-Fund for public issuers were:

- The "Above and Beyond Analysis" ("ABA", the proprietary tool): a dedicated model to rate public issuers based on four pillars: governance, environment, social and society.
- The Climate Profile: the Management Company completes this analysis by an assessment of issuers' Climate Profile based on energy mix and evolution, carbon intensity and resources stock.
- Carbon data: carbon footprint (t CO2/m$ debt) of the Sub-Fund's portfolio.
- Carbon intensity (t CO2/m$ GDP) of the Sub-Funds' portfolio.

Unaudited information (continued)

- The proportion of the Sub-Fund's portfolio in the international standards offense based on several criteria such as: respect of freedom, child labour, human rights, torture practices, money laundering, etc.

Performance of sustainability indicators for public issuers as of 12/30/2022		
Sustainability indicators		**Performance of the sustainability indicators**
ABA public score		5,28/10
Climate Profile / Energetic Mix	Bio & waste	8,98%
	Coal	3,42%
	Oil and LNG	36,21%
	Geothermal	2,22%
	Hydraulic	2,50%
	Natural Gas	36,56%
	Nuclear	5,06%
	Peat	0,00%
	Renewable	5,06%
Carbon footprint		Carbon footprint and carbon intensity data will be readily available via customer reporting, as this information will be included in all reports published on a monthly basis.
Carbon intensity		17,80
% in international standards offense		0,00%

- **…and compared to previous periods?**

Not applicable

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments of the Sub-Fund were the contributions of the investee companies to the United Nations Sustainable Development Goals (SDG).

These companies are required to comply with the following eligibility conditions which are based on a "pass-fail" approach:

- minimum 5% revenues exposed to SDGs, according to the internal sustainability framework based on Sustainable Transition Activities (demographic transition and/or healthcare transition and/or economic transition and/or lifestyle transition and/or ecologic transition).
- minimum rating of 2 out of 10 on Corporate Responsibility Rating (ABA) (taking into account controversies and PAI, Principal Adverse Impacts) combined with the exclusion policy, integrating the Do Not Significantly Harm on any environmental or social objective (see below)
- minimum rating of 2 out of 10 on Governance (Corporate Governance Practices)

The minimum rate of 2 of 10 (Corporate Responsibility in the proprietary tool ABA) is in line with the objective to Do No Significant Harm to the social or environmental objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Unaudited information (continued)

Principal adverse impacts *are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.*

The adverse impacts of the companies' activities on environment and social objectives were directly integrated into the ABA Corporate Responsibility Rating (which integrates the indicators for adverse impacts on sustainability factors in Table 1 of Annex 1 of the SFDR RTS and may lead to a downgrading of the ABA scoring under the minimum rating).

In this background, the Asset Manager has implemented in accordance with its Exclusion Policy the following exclusions:

- thermal coal and unconventional oil and gas: the Asset Manager gradually excluded companies involved in thermal coal and unconventional oil and gas business
- controversy weapons: issuers were excluded from all the Asset Manager's portfolios
- non-compliance with UN Global Compact: issuers with severe breaches to the UN Global Compact principles were integrated in the Asset Manager's "Worst Offenders" list and excluded from all the portfolios.

On December 30th, 2022, no breaches have been identified and no companies involved in thermal coal and unconventional oil and gas business were included in the asset managers' portfolio.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

The integration of the 14 mandatory PAI plus 3 optional PAI aimed to build a Corporate Responsibility Rating out of 10. A minimum rating of 2 out of 10 is thus consistent to the DNSH approach (Do No Significant Harm to the social or environmental objectives) in addition to two binding PAI (PAI 10- Violation UNGC and PAI 14- Controversial weapons).

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

Issuers that did not comply with the principles of the United Nations Global Compact were unfavorably rated for Corporate Responsibility in the ABA tool. Issuers with controversies or in severe breach to UN Global Compact Principles (example: human rights or fight against corruption) based on the internal approach were excluded from the portfolio through the worst offenders list after internal analysis.

The "internal approach" as described below allowed the Asset Manager to define a list of issuers identified as being in breach of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and which have been qualified as having committed a "severe breach" by the Management Company's Ethics Committee. These issuers were therefore included in an exclusion list of the "worst offenders" and which are prohibited from investing.

To perform this analysis, the Management Company used an external data provider's database to:

1) Extract issuers with "norms based" alerts
2) Filter out irrelevant issuers
3) Qualitative analysis of the infringements by the Management Company's Ethics Committee
4) Include issuers identified as having committed a "severe breach" in the list of worst offenders

Hence, the sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

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.

Unaudited information (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

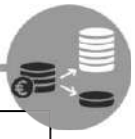
For Private issuers, The Sub-Fund took into account the principal adverse impacts on sustainability factors.

- The Principal Adverse Impact analysis was part of the Corporate Responsibility Rating
- The Asset Manager has implemented an Adverse Impact on Sustainability Policy, measuring the PAI. The Policy first intended to monitor the contributions to climate change (CO2 emissions, CO2 intensity, implied temperature) in the context of the "Climate Trajectory" objectives

For public issuers, the Sub-Fund took into account the principal adverse impacts on sustainability factors.

- The Principal Adverse Impact analysis was part of the Country Rating
- The Management Company has implemented an Adverse Impact on Sustainability Policy, measuring the PAI. The Policy first intended to monitor the contributions to climate change (CO2 intensity) and social issues (Country submitted to social violation, average income inequality score) and corruption (average corruption score)

Further information may be found in the annual report in respect of the Sub-Fund.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period (2022).

Top investments of the portfolio, as of December 30th, 2022:

Largest investments	Sector	% Assets under management	Country
Italy Buoni Poliennali Del Tesoro	Govies	5,8%	Italy
TotalEnergies SE	Energy	4,4%	France
Spain Government Inflation Linked Bond	Govies	3,7%	Spain
Sanofi	Health Care	2,2%	France
Credit Agricole SA	Banks	2,2%	France
Cie de Saint-Gobain	Construction and Materials	2,1%	France
Electricite de France SA	Utilities	2,1%	France
Orange SA	Telecommunications	2,0%	France
Societe Generale SA	Banks	1,9%	France
STMicroelectronics NV	Technology	1,9%	Netherlands
Bouygues SA	Construction and Materials	1,9%	France
BNP Paribas SA	Banks	1,8%	France
Thales SA	Industrial Goods and Services	1,6%	France
Dassault Aviation SA	Industrial Goods and Services	1,5%	France
Intesa Sanpaolo SpA	Banks	1,5%	Italy

The above sector classification can differ from the one used in the financial periodic report.

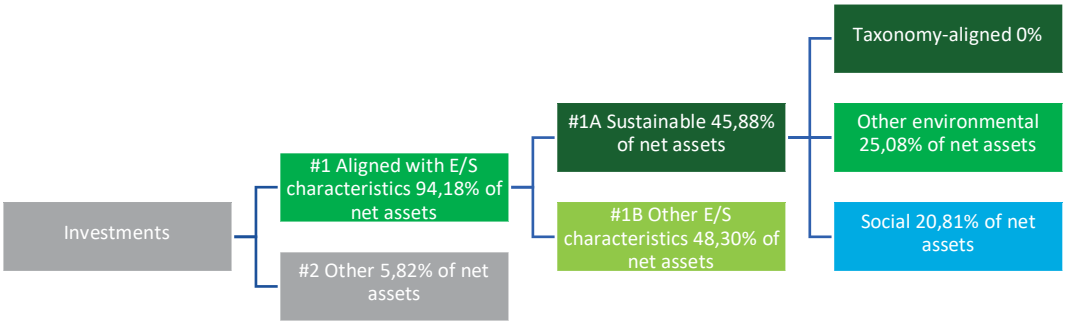
Unaudited information (continued)

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

As of December 30th, 2022, the Sub-Fund invested 94,18% minimum of its net assets in investments aligned with the environmental and social characteristics it promotes and 45,88%% of those were directly invested in sustainable investments. The remaining portion of the Sub-Fund's net assets (#2 Other) consisted of financial derivative instruments, deposits at sight, money market funds, money market instruments and other deposits used for hedging and efficient portfolio management purposes and to manage the liquidity of the portfolio or to reduce any specific financial risk.

- ***What was the asset allocation?***



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

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

- ***In which economic sectors were the investments made?***

The investments were made in the following economic sectors:

Sectors	% of assets
Automobiles and Parts	6,75%
Banks	14,30%
Basic Resources	1,39%
Chemicals	2,01%
Construction and Materials	6,01%
Consumer Products and Services	3,34%
Energy	6,28%
Financial Services	2,33%
Food, Beverage and Tobacco	1,01%
Health Care	4,80%
Industrial Goods and Services	8,65%
Insurance	0,79%
Media	2,72%
Personal Care, Drug and Grocery Stores	0,47%
Real Estate	0,94%
Retail	0,85%

Unaudited information (continued)

Sectors	% of assets
Technology	4,74%
Telecommunications	7,27%
Travel and Leisure	0,49%
Utilities	5,49%

The above sector classification can differ from the one used in the financial periodic report.

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

*To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.*

__Enabling activities__ directly enable other activities to make a substantial contribution to an environmental objective.

__Transitional activities__ are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The data available as of today, issued from the companies, are not yet complete, exhaustive, and reliable. DNCA Finance will disclose sustainable investments with an environmental objective aligned with the EU Taxonomy as soon as such data are available with the appropriate level of quality.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?***

☐ Yes

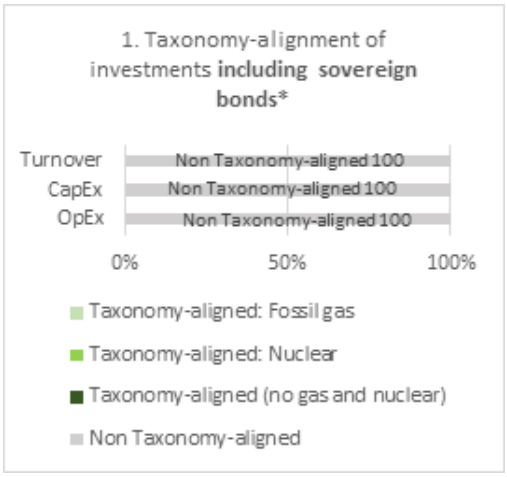
☐ In fossil gas

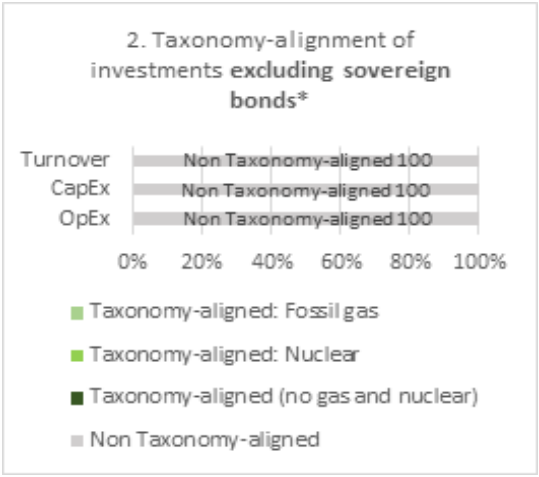
☐ In nuclear energy

☐ No

Not applicable

The graphs below show in green the percentage of investments that were 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.*





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Taxonomy-aligned activities are expressed as a share of:

*- **turnover** reflecting the share of revenue from green activities of investee companies.*

*- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.*

*- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.*

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Unaudited information (continued)

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 25,08%.



*are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under under Regulation (EU) 2020/852.*



What was the share of socially sustainable investments?

The share of socially sustainable investments was 20,81%.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The investments included under "other" could consist of financial derivative instruments, deposits at sight, money market funds, money market instruments and other deposits used for hedging and efficient portfolio management purposes and to manage the liquidity of the portfolio or to reduce any specific financial risk.

These investments did not have specific environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The investment process was based on the following three stages:

- Selection of the investment universe combining a financial and extra-financial approach in particular by excluding issuers which do not comply with our minimum standards for inclusion (rating below 2/10 in the ESG proprietary tool) or exposed to major controversies;
- Calibration of the modified duration and the overall credit risk of the Sub-Fund and the level of cash depending on the analysis of the interest rate and macroeconomic environment;
- Selection of securities based on a fundamental analysis, taking into account ESG criteria and the valuation of instruments.

The ABA scoring is the proprietary tool of analysis and Corporate Responsibility Rating used to anticipate companies' risks especially looking at the relationship with their stakeholders: employees, supply chains, clients, local communities, and shareholders…, regardless of the sector of activities.

The ABA analysis of corporate responsibility is broken down into four pillars:

- Shareholders responsibility (board of directors and general management, accounting practices and financial risks, etc.),
- Environmental responsibility (environmental footprint of the production chain and product life cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste, etc.)
- Responsibility towards workers ethics and working conditions of the production chain, treatment of employees – safety, well-being, diversity, employee representation, wages, quality of products or services sold, etc.) and,

Unaudited information (continued)

- Societal responsibility (Product quality, safety and traceability, respect of local communities and human rights, etc.)

This in-depth analysis, combining qualitative and quantitative research, leads to a rating out of 10. Issuers with a rating under 2/10 are excluded from the investment universe.

Furthermore, the DNCA Finance Team is implementing an engagement policy with many companies, focusing especially on companies with an unfavourable or strongly diminishing Responsibility score, or with an accumulation of controversies, or with an unfavourable policy and actions regarding the climate change.

The engagement process, which aims to serve the ESG objectives of the product, is carried out in several steps:

1. Identify targets for proactive and reactive engagement among issuers in DNCA Finance's investments, following on from the alert system set up as part of sustainability risk and negative impact management
2. Implement an engagement plan for the identified engagement targets, monitor the engagement process and measure the results
3. Integrate the results of engagement actions into investment decisions

DNCA Finance's **proactive engagement** aims to encourage companies to develop better transparency and management of their ESG issues, through an ongoing dialogue. The **reactive engagement** process is an escalation process that relies on the alert mechanism in place for sustainability risk and negative impact management. The engagement actions can include requests for corrective actions and the possible decision to disinvest ("worst offenders"). DNCA Finance also participates in **collective initiatives** for coordinated and/or collaborative actions to promote best practices on systemic or transversal topics, concerning certain issuers, ESG issues likely to generate sustainability risks and/or negative sustainability impacts, and compliance with the principles of the Task Force on Climate related Financial Disclosure (TCFD) and the Task Force on Nature related Financial Disclosure (TNFD).

The engagement report of DNCA can be accessed here.

The ESG processes used within the framework of the fund's management strategy (ABA scoring, management of exclusions, management of sustainability risks, management of negative impacts, etc.) are included in the asset management company's internal control plan, and as such are subject to effective control of their application, both at the first level (operational) and at the second level (Internal Control and Compliance).



How did this financial product perform compared to the reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable

Unaudited information (continued)

Annex 4 RTS SFDR / Template periodic disclosure for the financial products referred to in Article 8

Product name: DNCA Invest Evolutif

Legal entity identifier: 213800R1A3RW3ITPQ283

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

*The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally **sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.*

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It made **sustainable investments with a social objective:** ___%	☑ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 44,24% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy for 28,83% ☑ with a social objective for 15,41% ☐ It promoted E/S characteristics but **did not make any sustainable investments.**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The characteristics promoted by the Sub-Fund were governance, environment, social and societal criteria.

The management of the Sub-Fund relied on the proprietary analysis tool on environment, social and governance: ABA (Above and Beyond Analysis).

As part of the promotion of such characteristics, the Sub-Fund principally considered the following ESG matters:

- Environment: GHG emissions, airborne pollution, waterborne pollution, water consumption, land use
- Social: Excessive CEO Compensation, gender inequality, health and safety issues, child labor
- Governance: Monitoring corruption and bribery, tax avoidance
- Global ESG quality rating

In this way, for private issuers, the investment process based on stock picking took into account an internal Corporate Responsibility rating thanks to an extra-financial analysis through the ABA tool, with a "best in universe" approach (selection of the investment universe independently of the sectoral activity).

The investment process and resulting stock and bond picking used internal scoring with respect to responsibility of public issuers such as country based on an extra-financial analysis through a proprietary tool developed internally by the

Unaudited information (continued)

Management Company, with a minimum rating approach method. The sub-fund excluded any issuer with an ABA score inferior to 2/10.

In addition, the sub-fund has applied the asset management company's exclusion policy.

The Sub-Fund did not use a benchmark for the purpose of attaining the ESG Characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Sub-Fund includes both private issuers and public issuers.

The sustainability indicators of the Sub-Fund for private issuers were:

- The "Above and Beyond Analysis" ("ABA", the proprietary tool) Corporate Responsibility Score: the main sustainability indicator used by the Sub-Fund is the ABA scoring based on the Corporate Responsibility and divided into four pillars: shareholder responsibility, environmental responsibility, employer responsibility, societal responsibility.
- The Transition to a Sustainable Economy exposure: the asset manager completes this analysis by an assessment of companies' exposure to "Transition to a Sustainable Economy". This exposure is calculated among five pillars: demographic transition, healthcare transition, economic transition, lifestyle transition and ecologic transition.
- Exposure to UN Sustainable Development Goals: the Management Company assesses for each company the part of revenues linked to one of the 17 Sustainable Development Goals of the United Nations.
- Carbon data: carbon footprint (t CO2/m$ invested) of the Sub-Fund's portfolio.
- Carbon intensity (t CO2/m$ revenues) of the Sub-Funds' portfolio.
- The proportion of the Sub-Fund's portfolio in the "worst offenders" list of the Management Company; this list is consisted of the issuers most at risk from a social responsibility point of view. This list is established based on major controversies, after analysis by members of the SRI team, and after validation by the Sustainable Investment Monitoring Committee.

Performance of sustainability indicators for private issuers as of 12/30/2022	
Sustainability indicators	**Performance of the sustainability indicators**
ABA Corporate Responsibility score	5,46/10
Transition to a Sustainable Economy exposure	25,62% of revenues
% Exposure to the SDGs	25,62% of revenues
Carbon footprint	166,08
Carbon intensity	190,17
% "worst offenders" list	0%

The sustainability indicators of the Sub-Fund for public issuers were:

- The "Above and Beyond Analysis" ("ABA", the proprietary tool): a dedicated model to rate public issuers based on four pillars: governance, environment, social and society.
- The Climate Profile: the Management Company completes this analysis by an assessment of issuers' Climate Profile based on energy mix and evolution, carbon intensity and resources stock.
- Carbon data: carbon footprint (t CO2/m$ debt) of the Sub-Fund's portfolio.
- Carbon intensity (t CO2/m$ GDP) of the Sub-Funds' portfolio.

Unaudited information (continued)

- The proportion of the Sub-Fund's portfolio in the international standards offense based on several criteria such as: respect of freedom, child labour, human rights, torture practices, money laundering, etc.

Performance of sustainability indicators for public issuers as of 12/30/2022		
Sustainability indicators		**Performance of the sustainability indicators**
ABA public score		4,45/10
Climate Profile / Energetic Mix	Bio & waste	5,68%
	Coal	9,75%
	Oil and LNG	35,87%
	Geothermal	0,97%
	Hydraulic	1,47%
	Natural Gas	34,70%
	Nuclear	8,54%
	Peat	0,00%
	Renewable	3,02%
Carbon footprint		Carbon footprint and carbon intensity data will be readily available via customer reporting, as this information will be included in all reports published on a monthly basis.
Carbon intensity		40,30
% in international standards offense		72,52%

- **…and compared to previous periods?**

Not applicable

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments of the Sub-Fund were the contributions of the investee companies to the United Nations Sustainable Development Goals (SDG).

These companies are required to comply with the following eligibility conditions which are based on a "pass-fail" approach:

- minimum 5% revenues exposed to SDGs, according to the internal sustainability framework based on Sustainable Transition Activities (demographic transition and/or healthcare transition and/or economic transition and/or lifestyle transition and/or ecologic transition).
- minimum rating of 2 out of 10 on Corporate Responsibility Rating (ABA) (taking into account controversies and PAI, Principal Adverse Impacts) combined with the exclusion policy, integrating the Do Not Significantly Harm on any environmental or social objective (see below)
- minimum rating of 2 out of 10 on Governance (Corporate Governance Practices)

The minimum rate of 2 of 10 (Corporate Responsibility in the proprietary tool ABA) is in line with the objective to Do No Significant Harm to the social or environmental objectives.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Unaudited information (continued)

Principal adverse impacts *are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.*

The adverse impacts of the companies' activities on environment and social objectives were directly integrated into the ABA Corporate Responsibility Rating (which integrates the indicators for adverse impacts on sustainability factors in Table 1 of Annex 1 of the SFDR RTS and may lead to a downgrading of the ABA scoring under the minimum rating).

In this background, the Asset Manager has implemented in accordance with its Exclusion Policy the following exclusions:

- thermal coal and unconventional oil and gas: the Asset Manager gradually excluded companies involved in thermal coal and unconventional oil and gas business
- controversy weapons: issuers were excluded from all the Asset Manager's portfolios
- non-compliance with UN Global Compact: issuers with severe breaches to the UN Global Compact principles were integrated in the Asset Manager's "Worst Offenders" list and excluded from all the portfolios.

On December 30th, 2022, no breaches have been identified and no companies involved in thermal coal and unconventional oil and gas business were included in the asset managers' portfolio.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

The integration of the 14 mandatory PAI plus 3 optional PAI aimed to build a Corporate Responsibility Rating out of 10. A minimum rating of 2 out of 10 is thus consistent to the DNSH approach (Do No Significant Harm to the social or environmental objectives) in addition to two binding PAI (PAI 10- Violation UNGC and PAI 14- Controversial weapons).

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

Issuers that did not comply with the principles of the United Nations Global Compact were unfavorably rated for Corporate Responsibility in the ABA tool. Issuers with controversies or in severe breach to UN Global Compact Principles (example: human rights or fight against corruption) based on the internal approach were excluded from the portfolio through the worst offenders list after internal analysis.

The "internal approach" as described below allowed the Asset Manager to define a list of issuers identified as being in breach of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and which have been qualified as having committed a "severe breach" by the Management Company's Ethics Committee. These issuers were therefore included in an exclusion list of the "worst offenders" and which are prohibited from investing.

To perform this analysis, the Management Company used an external data provider's database to:

1) Extract issuers with "norms based" alerts
2) Filter out irrelevant issuers
3) Qualitative analysis of the infringements by the Management Company's Ethics Committee
4) Include issuers identified as having committed a "severe breach" in the list of worst offenders

Hence, the sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

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.

Unaudited information (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

For Private issuers, The Sub-Fund took into account the principal adverse impacts on sustainability factors.

- The Principal Adverse Impact analysis was part of the Corporate Responsibility Rating
- The Asset Manager has implemented an Adverse Impact on Sustainability Policy, measuring the PAI. The Policy first intended to monitor the contributions to climate change (CO2 emissions, CO2 intensity, implied temperature) in the context of the "Climate Trajectory" objectives

For public issuers, the Sub-Fund took into account the principal adverse impacts on sustainability factors.

- The Principal Adverse Impact analysis was part of the Country Rating
- The Management Company has implemented an Adverse Impact on Sustainability Policy, measuring the PAI. The Policy first intended to monitor the contributions to climate change (CO2 intensity) and social issues (Country submitted to social violation, average income inequality score) and corruption (average corruption score)

Further information may be found in the annual report in respect of the Sub-Fund.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period (2022).

Top investments of the portfolio, as of December 30th, 2022:

Largest investments	Sector	% Assets under management	Country
United States Treasury Note/Bond	Govies	16,0%	United States of America
Shell PLC	Energy	5,2%	Netherlands
Christian Dior SE	Consumer Products and Services	4,4%	France
Air Liquide SA	Chemicals	4,0%	France
Cie de Saint-Gobain	Construction and Materials	4,0%	France
Italy Buoni Poliennali Del Tesoro	Govies	4,0%	Italy
BNP Paribas SA	Banks	3,8%	France
Capgemini SE	Technology	3,3%	France
Deutsche Telekom AG	Telecommunications	3,0%	Germany
ASML Holding NV	Technology	2,8%	Netherlands
Microsoft Corp	Technology	2,6%	United States of America
Novo Nordisk A/S	Health Care	2,5%	Denmark
Schneider Electric SE	Industrial Goods and Services	2,5%	France
Nestle SA	Food, Beverage and Tobacco	2,5%	Switzerland
Faurecia SE	Automobiles and Parts	2,3%	France

The above sector classification can differ from the one used in the financial periodic report.

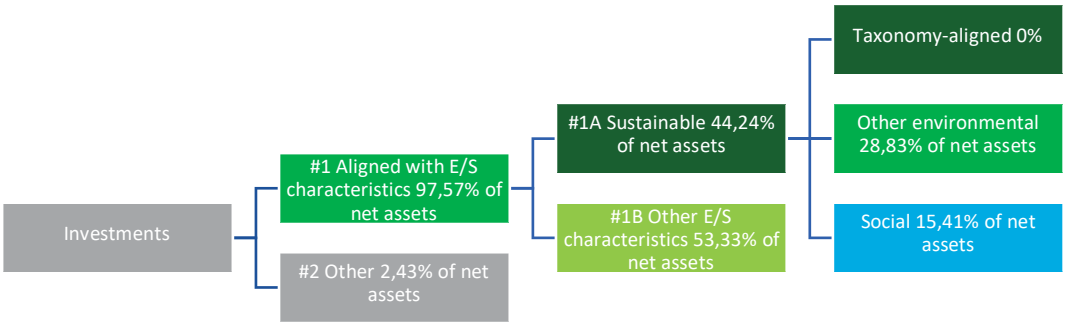
Unaudited information (continued)

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

As of December 30th, 2022, the Sub-Fund invested 97,57% minimum of its net assets in investments aligned with the environmental and social characteristics it promotes and 44,24% of those were directly invested in sustainable investments. The remaining portion of the Sub-Fund's net assets (#2 Other) consisted of financial derivative instruments, deposits at sight, money market funds, money market instruments and other deposits used for hedging and efficient portfolio management purposes and to manage the liquidity of the portfolio or to reduce any specific financial risk.

- ***What was the asset allocation?***



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

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

- ***In which economic sectors were the investments made?***

The investments were made in the following economic sectors:

Sectors	% of assets
Automobiles and Parts	7,92%
Banks	8,49%
Basic Resources	1,06%
Chemicals	4,65%
Construction and Materials	4,15%
Consumer Products and Services	6,69%
Energy	7,18%
Financial Services	2,87%
Food, Beverage and Tobacco	3,46%
Health Care	4,01%
Industrial Goods and Services	7,71%
Media	0,08%
Retail	0,22%
Technology	10,79%
Telecommunications	3,59%
Travel and Leisure	1,82%

Unaudited information (continued)

The above sector classification can differ from the one used in the financial periodic report.

*To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.*

***Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.*

***Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.*

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

The data available as of today, issued from the companies, are not yet complete, exhaustive, and reliable. DNCA Finance will disclose sustainable investments with an environmental objective aligned with the EU Taxonomy as soon as such data are available with the appropriate level of quality.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?***

☐ Yes

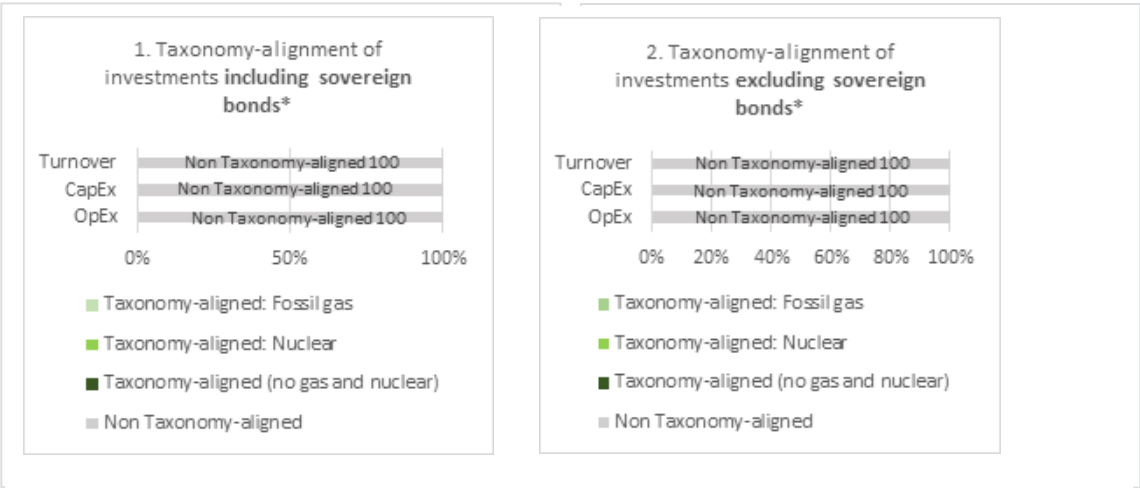
☐ In fossil gas

☐ In nuclear energy

☐ No

Not applicable

The graphs below show in green the percentage of investments that were 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.*



Taxonomy-aligned activities are expressed as a share of:

*- **turnover** reflecting the share of revenue from green activities of investee companies.*

*- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.*

*- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.*

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Unaudited information (continued)

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

*are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under under Regulation (EU) 2020/852.*

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 28,83%.

What was the share of socially sustainable investments?

The share of socially sustainable investments was 15,41%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The investments included under "other" could consist of financial derivative instruments, deposits at sight, money market funds, money market instruments and other deposits used for hedging and efficient portfolio management purposes and to manage the liquidity of the portfolio or to reduce any specific financial risk.

These investments did not have specific environmental or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The investment process was based on the following three stages:

- Selection of the investment universe combining a financial and extra-financial approach in particular by excluding issuers which do not comply with our minimum standards for inclusion (rating below 2/10 in the ESG proprietary tool) or exposed to major controversies;
- Calibration of the modified duration and the overall credit risk of the Sub-Fund and the level of cash depending on the analysis of the interest rate and macroeconomic environment;
- Selection of securities based on a fundamental analysis, taking into account ESG criteria and the valuation of instruments.

The ABA scoring is the proprietary tool of analysis and Corporate Responsibility Rating used to anticipate companies' risks especially looking at the relationship with their stakeholders: employees, supply chains, clients, local communities, and shareholders…, regardless of the sector of activities.

The ABA analysis of corporate responsibility is broken down into four pillars:

- Shareholders responsibility (board of directors and general management, accounting practices and financial risks, etc.),
- Environmental responsibility (environmental footprint of the production chain and product life cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste, etc.)
- Responsibility towards workers ethics and working conditions of the production chain, treatment of employees – safety, well-being, diversity, employee representation, wages, quality of products or services sold, etc.) and,
- Societal responsibility (Product quality, safety and traceability, respect of local communities and human rights, etc.)

Unaudited information (continued)

This in-depth analysis, combining qualitative and quantitative research, leads to a rating out of 10. Issuers with a rating under 2/10 are excluded from the investment universe.

Furthermore, the DNCA Finance Team is implementing an engagement policy with many companies, focusing especially on companies with an unfavourable or strongly diminishing Responsibility score, or with an accumulation of controversies, or with an unfavourable policy and actions regarding the climate change.

The engagement process, which aims to serve the ESG objectives of the product, is carried out in several steps:

1. Identify targets for proactive and reactive engagement among issuers in DNCA Finance's investments, following on from the alert system set up as part of sustainability risk and negative impact management
2. Implement an engagement plan for the identified engagement targets, monitor the engagement process and measure the results
3. Integrate the results of engagement actions into investment decisions

DNCA Finance's **proactive engagement** aims to encourage companies to develop better transparency and management of their ESG issues, through an ongoing dialogue. The **reactive engagement** process is an escalation process that relies on the alert mechanism in place for sustainability risk and negative impact management. The engagement actions can include requests for corrective actions and the possible decision to disinvest ("worst offenders"). DNCA Finance also participates in **collective initiatives** for coordinated and/or collaborative actions to promote best practices on systemic or transversal topics, concerning certain issuers, ESG issues likely to generate sustainability risks and/or negative sustainability impacts, and compliance with the principles of the Task Force on Climate related Financial Disclosure (TCFD) and the Task Force on Nature related Financial Disclosure (TNFD).

The engagement report of DNCA can be accessed here.

The ESG processes used within the framework of the fund's management strategy (ABA scoring, management of exclusions, management of sustainability risks, management of negative impacts, etc.) are included in the asset management company's internal control plan, and as such are subject to effective control of their application, both at the first level (operational) and at the second level (Internal Control and Compliance).



How did this financial product perform compared to the reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable

Unaudited information (continued)

Annex 4 RTS SFDR / Template periodic disclosure for the financial products referred to in Article 8

Product name: DNCA Invest Miuri

Legal entity identifier: 213800PM97Z52BYY9A41

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

*The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally **sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.*

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It made **sustainable investments with a social objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☑ It promoted E/S characteristics but **did not make any sustainable investments.**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The characteristics promoted by the Sub-Fund were governance, environment, social and societal criteria.

The management of the Sub-Fund relied on the proprietary analysis tool on environment, social and governance: ABA (Above and Beyond Analysis).

As part of the promotion of such characteristics, the Sub-Fund principally considered the following ESG matters:

- Environment: GHG emissions, air borne pollution, water borne pollution, water consumption, land use
- Social: Excessive CEO Compensation, gender inequality, health and safety issues, child labour
- Governance: Monitoring corruption and bribery, tax avoidance
- Global ESG quality rating

Unaudited information (continued)

In this way, the investment process and resulting stock picking used internal scoring with respect to both corporate responsibility and sustainability of companies based on an extra-financial analysis trough a proprietary tool developed internally by the asset management company, using the "best in universe" method (screening of the investment universe based on the corporate responsibility criteria, regardless of the sectorial activity). The sub-fund excluded any issuer with an ABA score inferior to 2/10. There may have been a sector bias.

In addition, the sub-fund has applied the asset management company's exclusion policy.

The Sub-Fund did not use a benchmark for the purpose of attaining the ESG Characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The sustainability indicators of the Sub-Fund were:

o The "Above and Beyond Analysis" ("ABA", the proprietary tool) Corporate Responsibility Score: the main sustainability indicator used by the Sub-Fund is the ABA scoring based on the Corporate Responsibility and divided into four pillars: shareholder responsibility, environmental responsibility, employer responsibility, societal responsibility.

o The Transition to a Sustainable Economy exposure: the Management Company completes this analysis by an assessment of companies' exposure to "Transition to a Sustainable Economy". This exposure is calculated among five pillars: demographic transition, healthcare transition, economic transition, lifestyle transition and ecologic transition.

o Exposure to UN Sustainable Development Goals: the Management Company assesses for each company the part of revenues linked to one of the 17 Sustainable Development Goals of the United Nations.

o Carbon data: carbon footprint (t CO2/m$ invested) of the Sub-Fund's portfolio.

o Carbon intensity (t CO2/m$ revenues) of the Sub-Funds' portfolio.

o The proportion of the Sub-Fund's portfolio in the "worst offenders" list of the Management Company; this list is consisted of the issuers most at risk from a social responsibility point of view. This list is established based on major controversies, after analysis by members of the SRI team, and after validation by the Sustainable Investment Monitoring Committee.

Performance of sustainability indicators as of 12/30/2022	
Sustainability indicators	**Performance of the sustainability indicators**
ABA Corporate Responsibility score	4,81/10
Transition to a Sustainable Economy score	15,19% of revenues
% Exposure to the SDGs	15,19% of revenues
Carbon footprint	Carbon footprint and carbon intensity data will be readily available via customer reporting, as this information will be included in all reports published on a monthly basis.
Carbon intensity	Carbon footprint and carbon intensity data will be readily available via customer reporting, as this information will be included in all reports published on a monthly basis.
% in the "worst offenders" list	0%

Unaudited information (continued)

- **…and compared to previous periods?**

Not Applicable

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not Applicable

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Unaudited information (continued)

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

Not Applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not Applicable

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

Not Applicable

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund took into account the principal adverse impacts on sustainability factors.

- The Principal Adverse Impact analysis was part of the Corporate Responsibility Rating
- The Management Company has implemented an Adverse Impact on Sustainability Policy, measuring the PAI. The Policy first intended to monitor the contributions to climate change (CO2 emissions, CO2 intensity, implied temperature) in the context of the "Climate Trajectory" objectives.

Further information may be found in the annual report in respect of the Sub-Fund.

Unaudited information (continued)



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period (2022).

Top investments of the portfolio, as of December 30th, 2022:

Largest investments	Sector	% Assets under management	Country
LVMH Moet Hennessy Louis Vuitton SE	Consumer Products and Services	7,8%	France
Cie de Saint-Gobain	Construction and Materials	5,1%	France
Siemens AG	Industrial Goods and Services	4,9%	Germany
Capgemini SE	Technology	4,4%	France
Publicis Groupe SA	Media	4,3%	France
Stellantis NV	Automobiles and Parts	4,3%	Netherlands
Holcim AG	Construction and Materials	4,1%	Switzerland
IPSOS	Media	4,1%	France
Vinci SA	Construction and Materials	4,0%	France
Mercedes-Benz Group AG	Automobiles and Parts	3,9%	Germany
CRH PLC	Construction and Materials	3,8%	Ireland
Sopra Steria Group SACA	Technology	2,9%	France
Anheuser-Busch InBev SA/NV	Food, Beverage and Tobacco	2,7%	Belgium
Airbus SE	Industrial Goods and Services	2,0%	France
Deutsche Telekom AG	Telecommunications	1,4%	Germany

The above sector classification can differ from the one used in the financial periodic report.

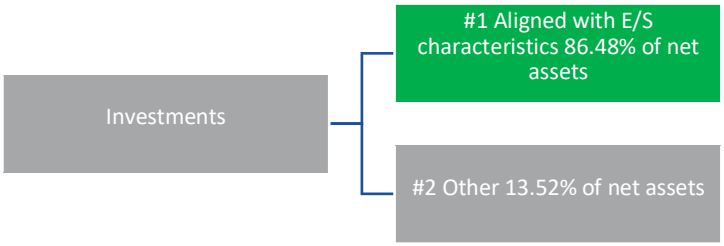
Unaudited information (continued)

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

As of December 30th, 2022, the Sub-Fund invested 86.48% of its net assets in investments aligned with the environmental and social characteristics it promotes. The remaining portion of the Sub-Fund's investment portfolio (#2 Other) consisted of financial derivative instruments for hedging and/or efficient portfolio management purposes as well as deposits at sight, money market funds, money market instruments and other deposits for liquidity purposes.

- ***What was the asset allocation?***



#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 category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

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

- ***In which economic sectors were the investments made?***

The investments were made in the following economic sectors:

Sectors	% of assets
Automobiles and Parts	8,86%
Banks	1,95%
Chemicals	0,04%
Construction and Materials	17,96%
Consumer Products and Services	8,42%
Energy	1,63%
Financial Services	0,03%
Food, Beverage and Tobacco	2,75%
Health Care	0,60%
Industrial Goods and Services	8,50%
Insurance	1,18%
Media	9,37%
Retail	0,01%
Technology	8,17%
Telecommunications	1,44%

The above sector classification can differ from the one used in the financial periodic report.

Unaudited information (continued)

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

*To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.*

***Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.*

***Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.*

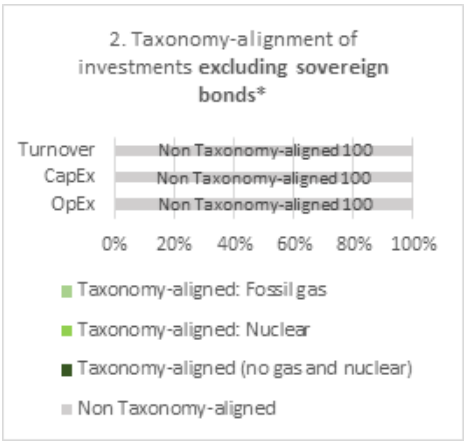
Not Applicable

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?***
  - ☐ Yes
    - ☐ In fossil gas
    - ☐ In nuclear energy
  - ☐ No

Not applicable

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereignbonds, 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.*





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Taxonomy-aligned activities are expressed as a share of:

*- **turnover** reflecting the share of revenue from green activities of investee companies.*

*- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.*

*- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.*

- ***What was the share of investments made in transitional and enabling activities?***

Not Applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Unaudited information (continued)

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not Applicable



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not Applicable



What was the share of socially sustainable investments?

Not Applicable



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The investments included under "other" could consist of financial derivative instruments for hedging and/or efficient portfolio management purposes as well as deposits at sight, money market funds, money market instruments and other deposits for liquidity purposes.

These investments did not have specific environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In line with the fundamental approach of the management team, the investment process was based on the following three stages:

- Selection of the investment universe combining a financial (quantitative and micro-economic) and extra-financial (qualitative) approach with two successive steps:
    - The selection of issuers pursuant to the financial approach described above,
    - The exclusion of issuers which have a high-risk profile in terms of corporate responsibility (rating below 2/10 in the ESG proprietary tool) or exposed to major controversies. This extra-financial filter excludes a minimum of 20% of issuers based on the extra-financial analysis describes before
- Structuration of the portfolio with a macroeconomic approach.
- Build the portfolio taking into consideration the regulatory constraints and the investment process in order to establish the final selection

The ABA scoring: proprietary tool of analysis and Corporate Responsibility Rating Corporate responsibility is a useful information's pool used to anticipate companies' risks especially looking at the interplay with their stakeholders: employees, supply chains, clients, local communities, and shareholders…, regardless of the sector of activities.

The ABA analysis of corporate responsibility is broken down into four pillars:

- Shareholders responsibility (board of directors and general management, accounting practices and financial risks, etc.),

Unaudited information (continued)

- Environmental responsibility (environmental footprint of the production chain and product life cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste, etc.),
- Responsibility towards workers ethics and working conditions of the production chain, treatment of employees – safety, well-being, diversity, employee representation, wages, quality of products or services sold, etc.) and,
- Societal responsibility (Product quality, safety and traceability, respect of local communities and human rights, etc.

This in-depth analysis, combining qualitative and quantitative research, leads to a rating out of 10.

Furthermore, the DNCA Finance Team is implementing an engagement policy with many companies, focusing especially on companies with an unfavourable or strongly diminishing Responsibility score, or with an accumulation of controversies, or with an unfavourable policy and actions regarding the climate change.

The engagement process, which aims to serve the ESG objectives of the product, is carried out in several steps:

1. Identify targets for proactive and reactive engagement among issuers in DNCA Finance's investments, following on from the alert system set up as part of sustainability risk and negative impact management
2. Implement an engagement plan for the identified engagement targets, monitor the engagement process and measure the results
3. Integrate the results of engagement actions into investment decisions

DNCA Finance's **proactive engagement** aims to encourage companies to develop better transparency and management of their ESG issues, through an ongoing dialogue. The **reactive engagement** process is an escalation process that relies on the alert mechanism in place for sustainability risk and negative impact management. The engagement actions can include requests for corrective actions and the possible decision to disinvest ("worst offenders"). DNCA Finance also participates in **collective initiatives** for coordinated and/or collaborative actions to promote best practices on systemic or transversal topics, concerning certain issuers, ESG issues likely to generate sustainability risks and/or negative sustainability impacts, and compliance with the principles of the Task Force on Climate related Financial Disclosure (TCFD) and the Task Force on Nature related Financial Disclosure (TNFD).

The engagement report of DNCA can be accessed here.

The ESG processes used within the framework of the fund's management strategy (ABA scoring, management of exclusions, management of sustainability risks, management of negative impacts, etc.) are included in the asset management company's internal control plan, and as such are subject to effective control of their application, both at the first level (operational) and at the second level (Internal Control and Compliance).



How did this financial product perform compared to the reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable

DEGROOF PETERCAM ASSET MANAGEMENT

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
DPAM B Equities NewGems Sustainable

Legal entity identifier:
549300O1NHP87EW0JE18

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 89.46% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the Reference Period, the Sub-fund promoted environmental and social characteristics through a rigorous methodology aimed at

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- defending fundamental rights (human rights, labour rights, anti-corruption and environmental protection).
- not funding controversial activities and behaviors that could affect the long-term reputation of the investments.
- promoting environmental, social and governance (ESG) best practices and best efforts.

The sub-fund has not designated any benchmark index to achieve the environmental and social characteristics it promotes within the meaning of Article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability reporting in the financial services sector (the "SFDR 2019/2088").

Derivative financial products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

How did the sustainability indicators perform?

During the Reference Period, the Sub-fund achieved the following sustainability indicators:

a. The Sub-fund has not been exposed to companies considered to be non-compliant with Global Standards;
b. The Sub-fund has not been exposed to companies involved in controversial activities according to the definitions and thresholds stipulated by DPAM's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf);
c. The Sub-fund has no exposure to companies facing ESG controversies of maximum severity;
d. Over the reference period, the sub-fund was not exposed to issuers in the bottom quintile for at least 2 of the 4 ESG risks identified for the issuer's activity and geographical area of activity; this sustainability indicator as currently drafted in the prospectus can be considered to have been breached.
However, due to a clerical error in the wording of this sustainability indicator, it has not been correctly reflected in the prospectus and should in fact read as follows: “Zero exposure to companies in the bottom 20% on more than 2 of its 4 main environmental, social or governance risks, specific to the company's activity and geographical scope.”
For the reference period, the Sub-fund had zero exposure to companies in the bottom 20% on more than 2 of its 4 main environmental, social or governance risks, specific to the company's activity and geographical scope and that, on this basis, there was no breach.

e. The greenhouse gas (GHG) emissions intensity of the Sub-fund was lower than the average GHG emissions intensity of the benchmark prior to the application of the ESG and sustainable investment selection methodology: 436.60 tCO2e/M revenue compared to 1113.06 tCO2e/mn revenue (as at 31/12/2022).

- ***…and compared to previous periods?***

Not applicable

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

For the Reference Period, the Sub-fund would aim to have at least 50% sustainable investments i.e. investments aimed at:

- companies aligned with one of the first two objectives of the EU taxonomy (climate change mitigation and adaptation);
- companies aiming to make a net positive contribution to the United Nations (UN) Sustainable Development Goals ("SDGs"), which are environmental in nature;
- companies aiming to make a net positive contribution to the social SDGs; and
- at the level of the overall portfolio, a minimum of 20% of companies making a net positive[1] contribution to all SDGs.

For the Reference Period, the Sub-fund had 89.46% sustainable investments. These sustainable investments have contributed to the Sub-fund's partial sustainable investment objective in the following ways:

- 0.82% of the Sub-fund's portfolio contributed to the achievement of the environmental objectives defined by the EU Taxonomy (climate change mitigation and adaptation);
- 65.89% of the Sub-fund's portfolio contributed to the achievement of environmental objectives not aligned with the EU Taxonomy;
- 88.12% of the Sub-fund's portfolio contributed to the achievement of social objectives.
- 85.44% of the Sub-fund's portfolio was invested in companies making a net positive contribution to the SDGs (including impact bonds).

[1] The net positive contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the SDGs framework, the net positive contribution takes into account on the one hand (1) the extent to which the invested company's products and services contribute to the achievement of the SDGs and on the other hand (2) the negative impacts of their activities along the value chain.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

DPAM ensures that the Sub-fund's sustainable investments during the Reference Period do not materially undermine an environmentally or socially sustainable investment objective by:

Issuer level:

- Consideration of the principal adverse impacts on the mandatory sustainability factors (hereinafter "PAIs") listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 which allows for the reduction of the negative impacts of the investment, including:
    - by incorporating several elements to avoid and/or reduce its exposure to activities or behaviours that could affect another environmental or social objective (such as the Global Standards compliance filter and the exclusion of ESG controversies of maximum severity or activities most harmful to other environmental and/or social objectives);
    - via an engagement process with investee companies, in accordance with its Engagement Policy, which can be accessed at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf. The commitments made by DPAM are also the subject of an annual report available at (https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_report_engagement_activity.pdf).
- An impact calculation methodology which takes into account the positive and negative contribution of the company's products and services to the SDGs in order to optimise the net positive (resulting) contribution.

Overall portfolio level:

- A rule of minimum 20% of assets aligned with the EU Taxonomy or in net positive contribution on all 17 SDGs. During the Reference Period, a minimum 85.44% of assets aligned with the EU Taxonomy or making a net positive contribution to all 17 SDGs.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to DPAM's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviors that

may significantly hinder sustainable and inclusive growth. This commitment is incorporated into the entire research and investment process.

In concrete terms, the PAIs have been integrated into the various stages of the Sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

    a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through DPAM's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
    Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
    b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not comply with global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity were thus excluded from the portfolio in advance.
    c) the exclusion filter for companies involved in controversial activities (in accordance with DPAM's Controversial Activities Policy (accessible at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). has been applied. The exclusion of companies involved in thermal coal production, for example, allows for better coverage of indicators such as biodiversity and greenhouse gas emissions.
    d) The filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).
    e) Similarly, environmental indicators have been included in the analysis of the ESG profile of companies and impact their scorecard.

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

    a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines

for Multinational Enterprises have been de facto excluded from the investment universe.

b) the exclusion filter for companies involved in controversial activities (definitions and thresholds in accordance with DPAM's Controversial Activities Policy (available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments were directly excluded from the investment universe.
c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.
d) The issue of gender diversity within the board of directors has been addressed primarily through shareholder responsibility, by voting against or engaging in dialogue with companies that do not meet a minimum of 30% gender diversity on their boards. DPAM participated in 706 general and extraordinary meetings on behalf of 651 companies in 2022.
e) Similarly, social indicators have been included in the analysis of the ESG profile of companies and impact their scorecard.

DPAM's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

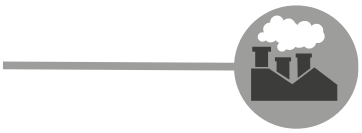
– – *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The first stage of the Sub-fund's investment is based on a normative screening, which includes compliance with Global Standards based on human rights, labour rights and the prevention of corruption. These include the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights. Companies that do not meet these criteria are excluded from the eligible investment universe. The Sub-fund has therefore not been invested during the Reference Period in any company that is deemed not to comply with these principles.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to DPAM's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviors that may significantly hinder sustainable and inclusive growth. This commitment is incorporated throughout the research and investment process from its incorporation.

In concrete terms, the PAIs have been integrated into the various stages of the Sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through DPAM's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not comply with global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity were thus excluded from the portfolio in advance.

c) the exclusion filter for companies involved in controversial activities (in accordance with DPAM's Controversial Activities Policy (accessible at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). has been applied. The exclusion of companies involved in thermal coal production, for example, allows for better coverage of indicators such as biodiversity and greenhouse gas emissions. The filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).
d) Similarly, environmental indicators have been included in the analysis of the ESG profile of companies and impact their scorecard.

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises have been de facto excluded from the investment universe.
b) the exclusion filter for companies involved in controversial activities (definitions and thresholds in accordance with DPAM's Controversial Activities Policy (available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments were directly excluded from the investment universe.
c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.
d) The issue of board gender diversity is addressed primarily through shareholder responsibility, by voting against or engaging in dialogue with companies that do not meet a minimum of 30% gender diversity on their boards. DPAM participated in 706 general and extraordinary meetings on behalf of 651 companies in 2022.
e) Similarly, social indicators are included in the analysis of the ESG profile of companies and impact their scorecard.

DPAM's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
MICROSOFT	INFORMATION AND COMMUNICATION	4.99 %	United States
ALPHABET A	INFORMATION AND COMMUNICATION	3.51 %	United States
AMAZON COM	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	3.37 %	United States
NVIDIA CORP	MANUFACTURING	2.93 %	United States
APPLE	MANUFACTURING	2.57 %	United States
ABBOTT LABORATORIES	MANUFACTURING	2.56 %	United States
UNITEDHEALTH GROUP	FINANCIAL AND INSURANCE ACTIVITIES	2.54 %	United States
ASTRAZENECA	MANUFACTURING	2.17 %	United Kingdom
DANAHER CORPORATION	MANUFACTURING	2.15 %	United States
ADOBE SYSTEMS INCORPORATED	INFORMATION AND COMMUNICATION	2.15 %	United States
ADVANCED MICRO DEVICES INC.	MANUFACTURING	2.12 %	United States
ACCENTURE A	INFORMATION AND COMMUNICATION	2.03 %	United States
ILLUMINA (ORD)	MANUFACTURING	1.92 %	United States
EDWARDS LIFESCIENCES CORPORATION	MANUFACTURING	1.83 %	United States
ASM INTERNATIONAL	MANUFACTURING	1.77 %	Netherlands

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

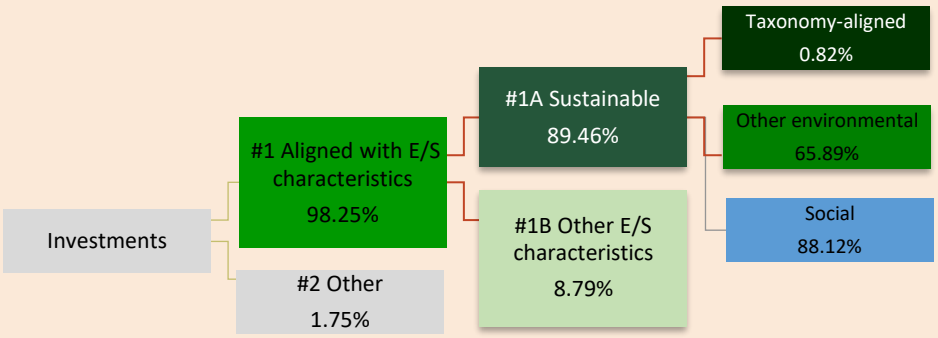
What was the asset allocation?

During the Reference Period, by applying the investment strategy, the Sub-fund invested 98.25% of its assets in securities that meet the environmental and social characteristics it promotes (in the table referred to as “#1 Aligned with E/S characteristics”).

The Sub-fund invests at least 89.46% of its assets in sustainable investments with environmental or social objectives (in the table referred to as “#1A Sustainable”).

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the cascade methodology described in the prospectus (section "What are the sustainable investment objectives that the financial product intends to partially achieve and how does the sustainable investment contribute to these objectives?), which excludes double counting at the cascade level: an investment qualifying as sustainable at the level of a first element of the cascade is not then taken into account at the level of subsequent elements of the cascade.

In contrast, the percentages of the two sub-categories of sustainable investments (#1A Sustainable) in the portfolio invested in environmental investments other than those aligned with the taxonomy and social investments may involve some double counting. All portfolio companies are analysed against both (i) the environmental SDGs (and therefore may fall into the sub-category 'other environmental investments' even if they are also considered to be aligned with the taxonomy and/or as a social sustainable investment) and (ii) the social SDGs (and therefore may fall into the sub-category 'social investments' even if they are also considered to be aligned with the taxonomy and/or as an other environmental investment).



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

In which economic sectors were the investments made?

Sector	Sub-sector	% of assets	
Information and communication	Publishing activities	18.62	%
Manufacturing	Manufacture of computer, electronic and optical products	18.31	%
Manufacturing	Manufacture of basic pharmaceutical products and pharmaceutical preparations	7.08	%
Manufacturing	Manufacture of machinery and equipment n.e.c.	6.86	%
Manufacturing	Other manufacturing	6.73	%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	5.69	%
Information and communication	Computer programming, consultancy and related activities	5.57	%
Financial and insurance activities	Insurance, reinsurance and pension funding, except compulsory social security	5.11	%
Information and communication	Information service activities	4.55	%
Manufacturing	Manufacture of chemicals and chemical products	2.49	%

Administrative and support service activities	Office administrative, office support and other business support activities	2.16	%
Manufacturing	Manufacture of food products	1.84	%
Professional, scientific and technical activities	Scientific research and development	1.75	%
Manufacturing	Manufacture of electrical equipment	1.65	%
Administrative and support service activities	Travel agency, tour operator reservation service and related activities	1.65	%
Human health and social work activities	Human health activities	1.61	%
Professional, scientific and technical activities	Other professional, scientific and technical activities	1.41	%
Agriculture, forestry and fishing	Fishing and aquaculture	1.05	%
Information and communication	Telecommunications	1.00	%
Manufacturing	Manufacture of basic metals	0.89	%
Manufacturing	Manufacture of wood and of products of wood and cork, straw and plaiting	0.80	%
Financial and insurance activities	Activities auxiliary to financial services and insurance activities	0.76	%
Human health and social work activities	Residential care activities	0.67	%
Transportation and storage	Warehousing and support activities for transportation	0.02	%
Cash	Cash	1.75	%

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

Sustainable investments that are aligned with the EU Taxonomy (referred to in the table as "EU Taxonomy aligned") consist of investments in companies whose economic activities substantially contribute to the environmental objectives of climate change mitigation and/or adaptation as defined by the EU Taxonomy in accordance with the eligibility and technical selection criteria ("EU Taxonomy Technical Selection Criteria").

DPAM's methodology for assessing the EU Taxonomy alignment of investee companies is based on data provided either by the investee companies or by third party providers. The latter use a mixed approach:

- Firstly, a direct mapping between the business activities in their own sectoral classification system and the economic activities covered by the Technical Selection Criteria of the EU Taxonomy.
- Secondly, any business activity that could not be directly mapped is examined through a bottom-up assessment of its alignment with the EU Taxonomy's Technical Selection Criteria.
- Any economic activity remaining after the first and second steps is considered not to be aligned with the EU Taxonomy.

  In principle, the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy is assessed by means of turnover (based on performance data provided by third-party suppliers).

Where information on the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy cannot be readily obtained from information published by the invested issuers, DPAM shall rely on equivalent information obtained by third-party providers from the invested issuers.

Applying this methodology, over the Reference Period, the Sub-fund is aligned for 0.82% with the first two objectives of the Taxonomy (environmental objectives of climate change mitigation and/or adaptation).

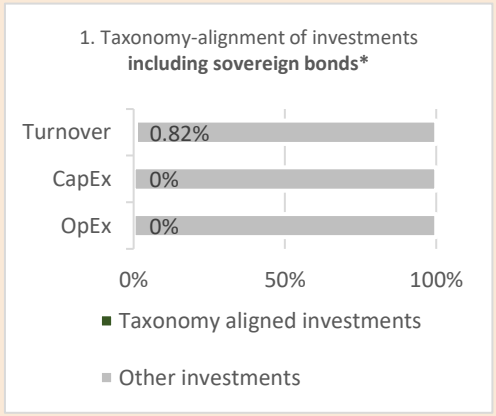
The compliance of these investments with the requirements set out in Article 3 of the EU Taxonomy is not subject to a guarantee provided by one or more auditors or a review by one or more auditors or a review by one or more third parties.

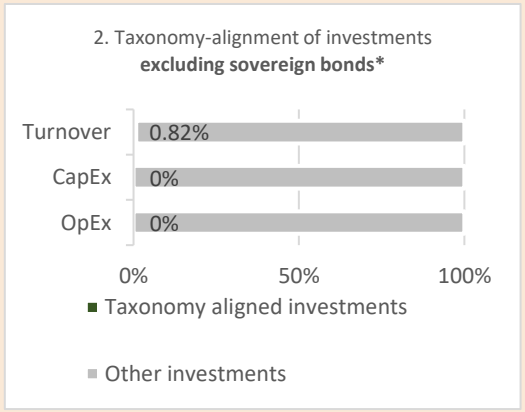
Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 amending and correcting the technical regulatory standards set out in Delegated Regulation (EU) 2022/1288 as regards the content and format of information to be published in pre-contractual documents and periodic reports relating to financial products that invest in environmentally sustainable economic activities entered into force on 20 February 2023. In particular, it amends the format of the information to be published in the periodic reports in order to declare whether, and graphically demonstrate the extent to which, a sub-fund invests in fossil gas and/or nuclear energy related activities, which are in line with the EU Taxonomy ('climate change mitigation'). DPAM does not have sufficient data at this stage to publish this information in the periodic report for the Reporting Period. DPAM will make every effort to obtain this data in 2023.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Based on the approach described below, the Sub-fund invested 65.89% of its portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy over the Reference Period.
Only two of the six environmental objectives defined by the EU Taxonomy are currently covered by the regulatory framework of the EU Taxonomy Technical Selection Criteria that determine alignment with the EU Taxonomy (adaptation and climate change mitigation). Similar criteria for the other four environmental objectives have yet to be developed. In the meantime, DPAM wishes to continue to make sustainable investments that contribute to environmental objectives not covered by the current EU Taxonomy Technical Selection Criteria, including key environmental objectives such as the sustainable use and protection of water and marine resources, the prevention and control of pollution and the protection and restoration of biodiversity and ecosystems.
To this end, DPAM has adopted and defined a specific framework for identifying the environmental objectives of these sustainable investments and assessing their contribution to these objectives.
This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to environmental objectives.
DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the other four environmental objectives defined by the EU Taxonomy.



What was the share of socially sustainable investments?

Based on the approach described below, the Sub-fund invested 88.12% of its portfolio in sustainable investments with a social objective over the Reference Period. A European Taxonomy for social sustainability goals has yet to be developed. In the meantime, DPAM wishes to continue to make sustainable investments that contribute to the achievement of key social goals such as zero hunger, quality education and peace, justice and strong institutions.

To this end, DPAM has adopted and defined a specific framework for identifying the social objectives of these sustainable investments and assessing their contribution to these objectives. This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to social objectives.

DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the social objectives under the EU Taxonomy.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole sub-fund, excluding the:

- Liquid assets
- Derivative instruments
- Undertakings for collective investments
- Issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

The Sub-fund may invest or hold these types of assets for the purpose of achieving investment objectives, portfolio diversification, liquidity management and risk hedging.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 1.75% cash. There are no minimum environmental or social guarantees on this allocation.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

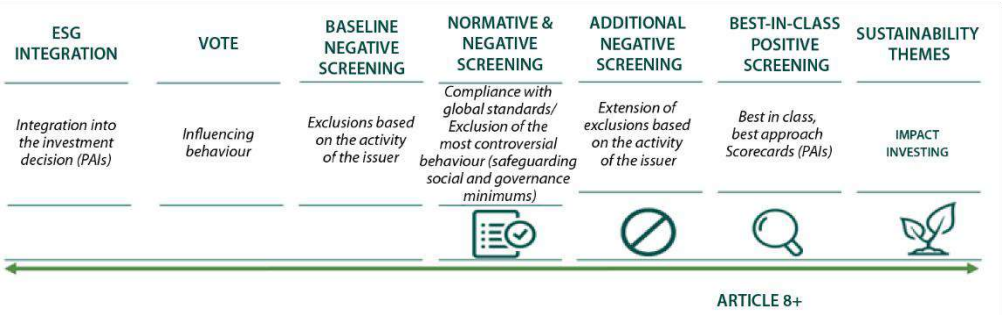
Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e:
On a quarterly basis, a normative screening has been established based on compliance with Global Standards.

Subsequently, companies meeting the thresholds as defined in the activities excluded by DPAM's controversial activities policy were excluded.
On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

DPAM supplemented the various ESG exclusion filters using ESG risk and opportunities scorecards for each issuer in the portfolio. The scorecards were updated on an annual basis or ad hoc if an event should require a revision of the issuer's scorecard.

From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector. In addition, this qualitative analysis also includes consideration of the sustainability theme and the issuer's total contribution to the UN Sustainable Development Goals.

The stages of the investment process are outlined below:



How did this financial product perform compared to the reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

APPENDIX IV

Periodic information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name:
DPAM L BONDS EUR HIGH YIELD SHORT TERM

Legal entity identifier:
549300U2IHEFSZPGWH97

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It has made **sustainable investments with an environmental objective:** ___%	☐ It **promoted environmental and/or social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It has made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020 /852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

During the Reference Period (01/01/2022-31/12/2022), the Sub-fund promoted environmental and social characteristics through a rigorous methodology aimed at:

- defending fundamental rights (human rights, labour rights, anti-corruption and environmental protection).
- not funding controversial activities and behaviors that could affect the long-term reputation of the investments.
- promoting environmental, social and governance (ESG) best practices.

Derivative products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

The Sub-fund has not designated any benchmark index to achieve the environmental and social characteristics it promotes within the meaning of Article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability reporting in the financial services sector (the "SFDR 2019/2088").

How did the sustainability indicators perform?

Over the Reference Period, the Sub-fund achieved the following sustainability indicators:

1) At the level of direct line investments (corporate bonds):

a) The Sub-fund was not exposed to companies considered to be below Global Standards during the reporting period;

b) The Sub-fund was not exposed to companies involved in excluded controversial activities as defined by the Manager's Controversial Activities Policy (accessible via www.dpamfunds.com (Controversial Activities Policy);

c) The Sub-fund has not been exposed to companies facing extremely serious controversies around environmental or social issues.

2) At the level of direct line investments (sovereign bonds):

The Sub-fund has not been exposed to issuers that do not meet minimum democratic requirements.

…and in comparison to previous periods?

Not applicable

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable

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

Not applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

- **For investments in corporate bonds:**

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth.

This commitment is incorporated throughout the research and investment process from its inception. In concrete terms, the PAIs have been integrated into the various stages of the Sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

    a) They have been analyzed and monitored at the level of the invested issuers, particularly with regard to PAI related to greenhouse gas emissions and energy performance, notably through the Manager's research in the framework of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute the most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
    b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not meet global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity are thus excluded from the portfolio in advance.
    c) In addition, the filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

    a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises are de facto excluded from the investment universe.
    b) the exclusion filter for companies involved in controversial activities (in accordance with the Manager's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments are directly excluded from the investment universe.
    c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.

What were the top investments of this financial product?

The list includes the investments that constitute **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

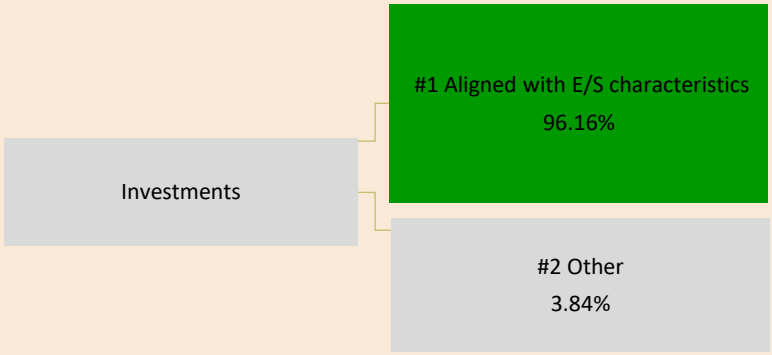
Largest investments	Sector	% Assets	Country
6 1/2 PARTS EUROPE JUL25 16.07.2025	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	3.56%	France
1% ELIS APR25 03.04.2025	OTHER SERVICE ACTIVITIES	3.04%	France
7 1/2 TEREOS FIN 25 REGS 30.10.2025	MANUFACTURING	2.86%	France
VOLVO CAR AB 2.000% 24-JAN-2025	MANUFACTURING	2.59%	Sweden
FORD MOTOR CREDIT 1.355% 07-FEB-2025	FINANCIAL AND INSURANCE ACTIVITIES	2.52%	United States
SOFTBANK GROUP 2.125 21-060724	INFORMATION AND COMMUNICATION	2.37%	Japan
RENAULT 1.250% 24-JUN-2025	MANUFACTURING	2.25%	France
JAGUAR LAND ROVER 2.20 17-24 15/01S	MANUFACTURING	2.15%	United Kingdom
2% TECHEM VERW JUL25 REGS 15.07.2025	FINANCIAL AND INSURANCE ACTIVITIES	2.12%	Germany
3 1/8 SPIE MAR24 22.03.2024	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	2.11%	France
NUMERICABLE GROUP SA 2.125% 15-FEB-2025	INFORMATION AND COMMUNICATION	2.04%	France
CONSTELLIUM N.V 4.25 17-150226	TRANSPORTATION AND STORAGE	2.03%	United States
EIRCOM FINANCE DAC 1.750% 01-NOV-2024	FINANCIAL AND INSURANCE ACTIVITIES	2.00%	Ireland
TELECOM ITALIA SPA 2.750% 15-APR-2025	INFORMATION AND COMMUNICATION	1.96%	Italy
2 3/4 SCHAEFFLER 25 REGS 12.10.2025	MANUFACTURING	1.79%	Germany

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

Through the application of the investment strategy described above, the Sub-fund has invested 96.16% of its assets in securities that meet the environmental and social characteristics it promotes (in the table referred to as "#1 Aligned with E/S Characteristics").



#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 a re neither aligned with the environmental or social characteristics, nor a re qualified as sustainable investments.

In which economic sectors were the investments made?

Sector	Sub-sector	% of assets
Financial and insurance activities	Financial service activities, except insurance and pension funding	22.64%
Information and communication	Telecommunications	14.17%
Manufacturing	Manufacture of motor vehicles, trailers and semi-trailers	10.11%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale and retail trade and repair of motor vehicles and motorcycles	4.61%
Manufacturing	Manufacture of food products	3.60%
Other service activities	Other personal service activities	3.44%
Information and communication	Information service activities	3.25%
Manufacturing	Manufacture of chemicals and chemical products	2.89%
Transportation and storage	Warehousing and support activities for transportation	2.79%
Professional, scientific and technical activities	Architectural and engineering activities; technical testing and analysis	2.51%

Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	2.28%
Manufacturing	Manufacture of computer, electronic and optical products	1.87%
Electricity, gas, steam and air conditioning supply	Electricity, gas, steam and air conditioning supply	1.79%
Information and communication	Motion picture, video and sound production and distribution	1.69%
Manufacturing	Manufacture of other non-metallic mineral products	1.62%
Manufacturing	Manufacture of textiles	1.52%
Administrative and support service activities	Rental and leasing activities	1.47%
Accommodation and food service activities	Accommodation	1.32%
Mining and quarrying	Mining of metal ores	1.29%
Manufacturing	Manufacture of fabricated metal products, except machinery and equipment	1.26%
Manufacturing	Manufacture of rubber and plastic products	1.11%
Transportation and storage	Water transport	1.11%
Manufacturing	Manufacture of electrical equipment	1.01%
Professional, scientific and technical activities	Activities of head offices; management consultancy activities	0.96%
Administrative and support service activities	Security and investigation activities	0.96%
Manufacturing	Manufacture of basic pharmaceutical products and pharmaceutical preparations	0.96%
Transportation and storage	Land transport and transport via pipelines	0.84%
Information and communication	Publishing activities	0.83%
Administrative and support service activities	Office administrative, office support and other business support activities	0.55%
Accommodation and food service activities	Food and beverage service activities	0.40%
Professional, scientific and technical activities	Advertising and market research	0.39%
Manufacturing	Manufacture of other transport equipment	0.37%
Manufacturing	Other manufacturing	0.26%
Real estate activities	Real estate activities	0.19%
Financial and insurance activities	Activities auxiliary to financial services and insurance activities	0.12%
Cash	Cash	3.84%

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

Has the financial product invested in fossil gas and/or nuclear energy activities in line with the EU Taxonomy?[1]

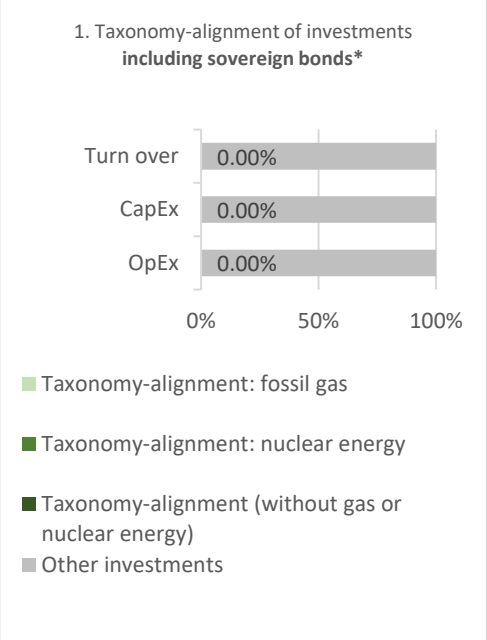
☐ Yes: [specify below, and detail in the graphics in the box].

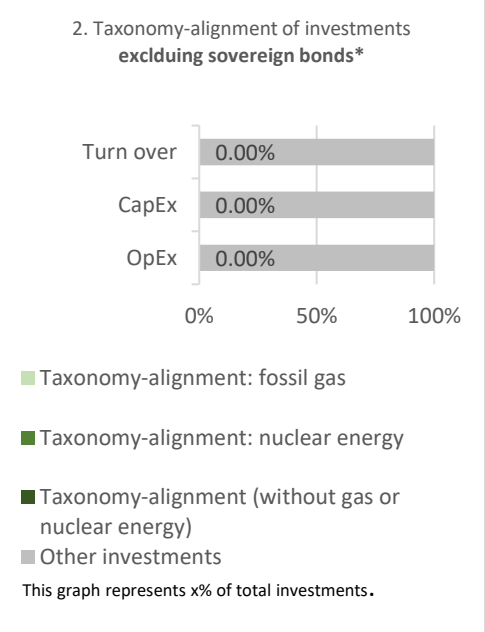
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[1] Fossil gas and/or nuclear activities will only be compliant with the EU Taxonomy if they contribute to mitigating climate change ('climate change mitigation') and do not significantly undermine an objective of the EU Taxonomy - see explanatory note in the left margin. The full criteria for fossil gas and nuclear energy economic activities that are in line with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available.

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable



What was the share of socially sustainable investments?

Not applicable



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole Sub-fund, excluding the:

- Liquid assets (excluding treasury bonds)
- Derivative instruments
- Collective investment schemes
- Issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics

The Sub-fund may invest or hold these types of assets in order to achieve its investment objectives, to diversify its portfolio, to manage liquidity and to hedge its risks.

There are no minimum environmental or social guarantees.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 3.84% cash. There are no minimum environmental or social guarantees on these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e.:

- **For direct line investments (corporate bonds):**

  On a quarterly basis, a normative screening has been established based on compliance with global standards.

  Secondly, companies meeting the thresholds as defined in the activities excluded by the responsible investment policy were excluded.

  On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

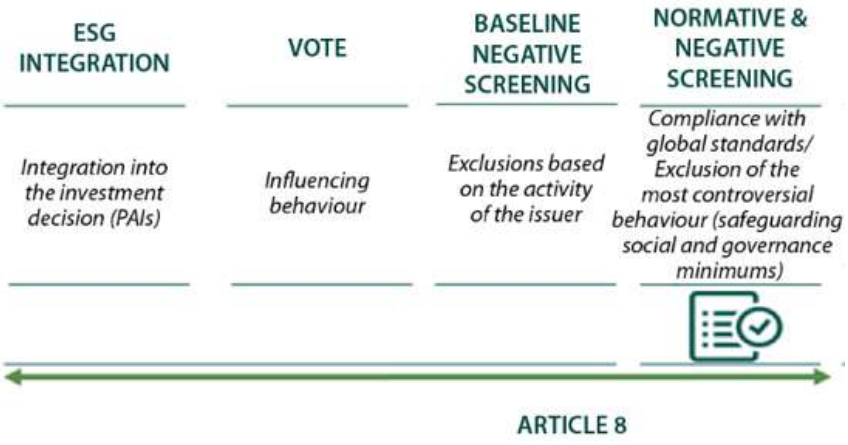
  From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector.

- **For investments in sovereign bonds:**

  The Sub-fund did not invest in countries considered not to meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the Manager applied a methodology that is based primarily on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

  The list of countries was reviewed on a semi-annual basis and provided to management via the management systems so that it could not give transaction orders on papers issued by these excluded countries.

  The stages of the investment process are outlined below:



How did this financial product perform compared to the reference benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

DEGROOF PETERCAM ASSET MANAGEMENT

APPENDIX IV

Periodic information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name:
DPAM L BONDS UNIVERSALIS UNCONSTRAINED

Legal entity identifier:
5493006302LKO5WVEH19

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020 /852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not set out a list socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It has made **sustainable investments with an environmental objective:** ___%	☐ It **promoted environmental and/or social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It has made **sustainable investments with a social objective:** ___%	X It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

During the Reference Period (01/01/2022-31/12/2022), the Sub-fund promoted environmental and social characteristics through a rigorous methodology aimed at:

- defending fundamental rights (human rights, labour rights, anti-corruption and environmental protection).
- not funding controversial activities and behaviors that could affect the long-term reputation of the investments.
- promoting environmental, social and governance (ESG) best practices.

Derivative products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

The Sub-fund has not designated any benchmark index to achieve the environmental and social characteristics it promotes within the meaning of Article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability reporting in the financial services sector (the "SFDR 2019/2088").

How did the sustainability indicators perform?

Over the Reference Period, the Sub-fund achieved the following sustainability indicators:

1) At the level of direct line investments (corporate bonds):

a) The Sub-fund was not exposed to companies considered to be below Global Standards during the reporting period;

b) The Sub-fund was not exposed to companies involved in excluded controversial activities as defined by the Manager's Controversial Activities Policy (accessible via www.dpamfunds.com (Controversial Activities Policy);

c) The Sub-fund has not been exposed to companies facing extremely serious controversies around environmental or social issues.

2) At the level of direct line investments (sovereign bonds):

The Sub-fund has not been exposed to issuers that do not meet minimum democratic requirements.

…and in comparison to previous periods?

Not applicable

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable

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

Not applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

- **For investments in corporate bonds:**

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth.

This commitment is incorporated throughout the research and investment process from its inception. In concrete terms, the PAIs have been integrated into the various stages of the Sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) They have been analyzed and monitored at the level of the invested issuers, particularly with regard to PAI related to greenhouse gas emissions and energy performance, notably through the Manager's research in the framework of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute the most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not meet global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity are thus excluded from the portfolio in advance.
   c) In addition, the filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

   a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises are de facto excluded from the investment universe.
   b) the exclusion filter for companies involved in controversial activities (in accordance with the Manager's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments are directly excluded from the investment universe.
   c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.

   - **For investments in sovereign bonds:**

     During the Reference Period, the Sub-fund took into consideration the environmental and social PAI listed in table 1 of appendix I of the Delegated Regulation (EU) 2022/1288.

The first PAI relates to environmental issues and focuses on the greenhouse gas emission intensity of the investee countries. The indicator is an integral component of the country sustainability model that the Manager developed for its sovereign bond strategies. Consequently, it is included in the country's sustainability score and can influence it positively or negatively depending on its level and development compared to other issuer countries.

The second PAI relates to social issues and focuses on issues of social breaches. Our country sustainability model monitors a number of indicators on this issue, such as respect for civil liberties and political rights, respect for human rights and the level of violence within the country, commitment to key labour law conventions, the issue of equal opportunities and distribution of wealth, etc. These different indicators are included in the country's sustainability score and may influence it positively or negatively depending on its level and evolution compared to other emitting countries.

During the Reference Period, a dialogue was initiated on the results of the sustainability scores with some countries according to DPAM's engagement policy via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf.

Over the Reference Period, the management teams conducted 37 dialogues with the various participants in sovereign debt issues. These dialogues allowed us to verify with the stakeholders the points of attention of the governmental policies, notably in environmental and/or social matters.

Details of the dialogues with countries and companies will be published in an annual report in the first quarter of 2023 on the Manager's website (https://www.dpamfunds.com).

The Manager's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

What were the top investments of this financial product?

The list includes the investments that constitute **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
JAPAN I/L 0.20 20-100330	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	4.09%	Japan
US TREASURY NOTES 2.25% 15/11/2025	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	3.49%	United States
1.2% SPAIN OCT40 31.10.2040	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	3.17%	Spain

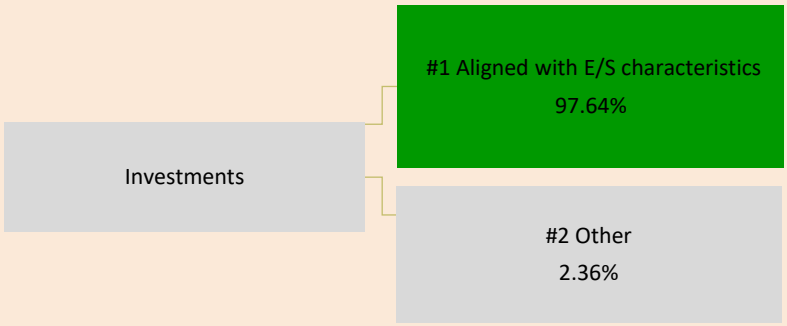
0.6% ITALY AUG31 01.08.2031	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.27%	Italy
0.45% ITALY BTP FEB29 REGS 15.02.2029	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.18%	Italy
5 3/4 MEXICO MAR26 05.03.2026	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.04%	Mexico
AMAZON.COM INC 4.55 22-011227	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.90%	United States
8 1/2 SOUTH AFRICA JAN37 31.01.2037	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.89%	South Africa
7/8 BIRD MAY30 14.05.2030	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	1.85%	Supranational institutions
1% CZECH REP JUN26 S95 26.06.2026	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.81%	Czech Republic
NEW ZEALAND (GOVERNMENT OF) 4.5% 15/04/2027	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.57%	New Zealand
APPLE INC 1.65 21-080231	MANUFACTURING	1.42%	United States
MITSUBISHI FRN 22-190925	FINANCIAL AND INSURANCE ACTIVITIES	1.34%	Japan
UNITED MEXICAN STATES 1.450% 25-OCT-2033	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.33%	Mexico
NEW ZEALAND (GOVERNMENT OF) 3% 20/04/2029	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.30%	New Zealand

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

Through the application of the investment strategy described above, the Sub-fund has invested 97.64% of its assets in securities that meet the environmental and social characteristics it promotes (in the table referred to as “#1 Aligned with E/S Characteristics”).



#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 a re neither aligned with the environmental or social characteristics, nor a re qualified as sustainable investments.

In which economic sectors were the investments made?

Sector	Sub-sector	% of assets
Public administration and defence; compulsory social security	Public administration and defence; compulsory social security	50.69%
Financial and insurance activities	Financial service activities, except insurance and pension funding	22.40%
Activities of extraterritorial organisations and bodies	Activities of extraterritorial organisations and bodies	4.93%
Electricity, gas, steam and air conditioning supply	Electricity, gas, steam and air conditioning supply	2.46%
Information and communication	Telecommunications	2.42%
Manufacturing	Manufacture of computer, electronic and optical products	2.37%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	2.14%
Financial and insurance activities	Activities auxiliary to financial services and insurance activities	2.08%
Information and communication	Publishing activities	1.99%
Manufacturing	Manufacture of motor vehicles, trailers and semi-trailers	0.97%
Mining and quarrying	Extraction of crude petroleum and natural gas	0.80%
Real estate activities	Real estate activities	0.71%
Financial and insurance activities	Insurance, reinsurance and pension funding, except compulsory social security	0.59%
Manufacturing	Manufacture of coke and refined petroleum products	0.52%
Water supply; sewerage; waste management and remediation activities	Water collection, treatment and supply	0.52%
Administrative and support service activities	Travel agency, tour operator reservation service and related activities	0.46%
Transportation and storage	Postal and courier activities	0.45%
Manufacturing	Manufacture of electrical equipment	0.31%
Manufacturing	Manufacture of chemicals and chemical products	0.29%

Information and communication	Programming and broadcasting activities	0.24%
Manufacturing	Manufacture of machinery and equipment n.e.c.	0.19%
Information and communication	Information service activities	0.10%
Derivatives	Derivatives	0.14%
Cash	Cash	2.22%

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

Has the financial product invested in fossil gas and/or nuclear energy activities in line with the EU Taxonomy?[1]

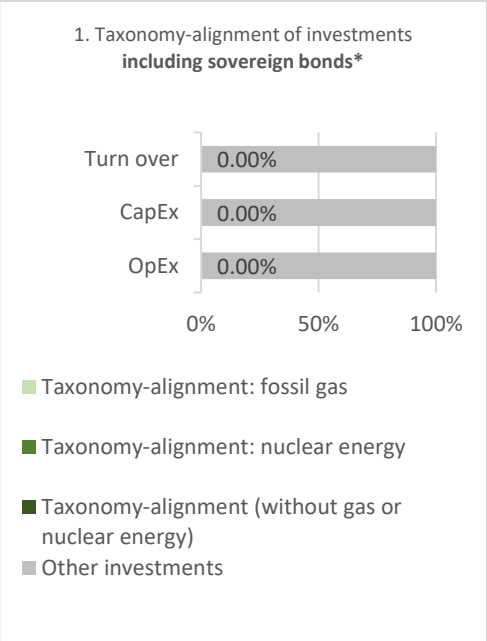
Yes: [specify below, and detail in the graphics in the box].

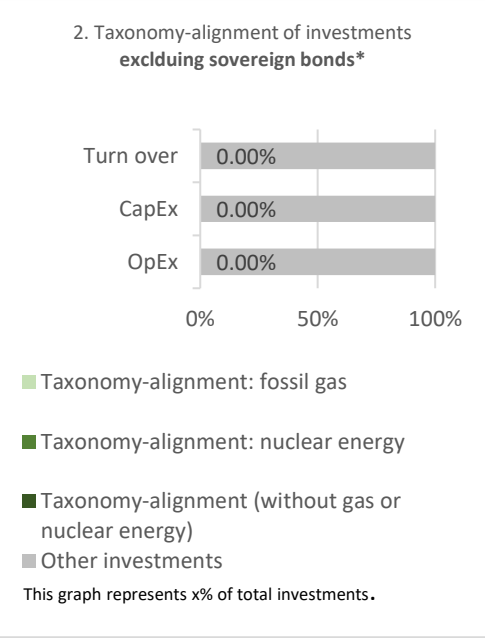
In fossil gas In nuclear energy

x No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[1] Fossil gas and/or nuclear activities will only be compliant with the EU Taxonomy if they contribute to mitigating climate change ('climate change mitigation') and do not significantly undermine an objective of the EU Taxonomy - see explanatory note in the left margin. The full criteria for fossil gas and nuclear energy economic activities that are in line with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available.

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable



What was the share of socially sustainable investments?

Not applicable



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole Sub-fund, excluding the:

- Liquid assets (excluding treasury bonds)
- Derivative instruments
- Collective investment schemes
- Issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics

The Sub-fund may invest or hold these types of assets in order to achieve its investment objectives, to diversify its portfolio, to manage liquidity and to hedge its risks.

There are no minimum environmental or social guarantees.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 2.22% cash. There are no minimum environmental or social guarantees on these investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e.:

- **For direct line investments (corporate bonds):**

  On a quarterly basis, a normative screening has been established based on compliance with global standards.

  Secondly, companies meeting the thresholds as defined in the activities excluded by the responsible investment policy were excluded.

  On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

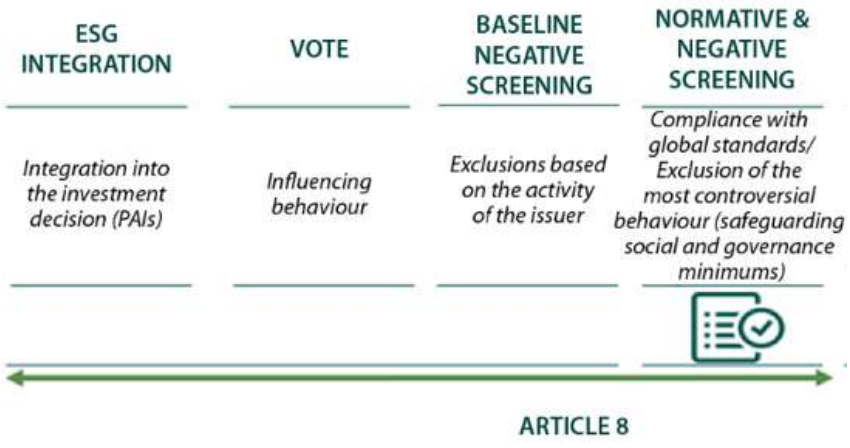
  From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector.

- **For investments in sovereign bonds:**

  The Sub-fund did not invest in countries considered not to meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the Manager applied a methodology that is based primarily on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

  The list of countries was reviewed on a semi-annual basis and provided to management via the management systems so that it could not give transaction orders on papers issued by these excluded countries.

  The stages of the investment process are outlined below:





How did this financial product perform compared to the reference benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics being promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

APPENDIX IV

Periodic information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name:
DPAM L PATRIMONIAL FUND

Legal entity identifier:
549300W5350LFNV3J760

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It has made **sustainable investments with an environmental objective:** ___%	☐ It **promoted environmental and/or social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It has made **sustainable investments with a social objective:** ___%	X It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020 /852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

During the Reference Period (01/01/2022-31/12/2022), the Sub-fund promoted environmental and social characteristics through a rigorous methodology aimed at:

- defending fundamental rights (human rights, labour rights, anti-corruption and environmental protection).
- not funding controversial activities and behaviors that could affect the long-term reputation of the investments.
- promoting environmental, social and governance (ESG) best practices.
- excluding countries that do not respect a minimum of democratic requirements.

Derivative products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

The Sub-fund has not designated any benchmark index to achieve the environmental and social characteristics it promotes within the meaning of Article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability reporting in the financial services sector (the "SFDR 2019/2088").

How did the sustainability indicators perform?

Over the Reference Period, the Sub-fund achieved the following sustainability indicators:

At the level of direct line investments (shares or corporate bonds):

a) The Sub-fund was not exposed to companies considered to be below Global Standards during the reporting period;

b) The Sub-fund was not exposed to companies involved in excluded controversial activities as defined by the Sub-fund Manager's Controversial Activities Policy;

c) The Sub-fund has not been exposed to companies facing extremely serious controversies around environmental or social issues.

At the level of direct line investments (sovereign bonds):

The Sub-fund has not been exposed to issuers that do not meet minimum democratic requirements.

…and in comparison to previous periods?

Not applicable

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable

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

Not applicable

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

- **For investments in shares or corporate bonds:**

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth.

This commitment is incorporated throughout the research and investment process from its inception. In concrete terms, the PAIs have been integrated into the various stages of the Sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through the Manager's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not meet global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity are thus excluded from the portfolio in advance.
   c) In addition, the filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

   a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises are de facto excluded from the investment universe.
   b) the exclusion filter for companies involved in controversial activities (in accordance with the Manager's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments are directly excluded from the investment universe.
   c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.

- **For investments in sovereign bonds:**

During the Reference Period, the Sub-fund took into consideration the environmental and social PAI listed in table 1 of appendix I of the Delegated Regulation (EU) 2022/1288.

The first PAI relates to environmental issues and focuses on the greenhouse gas emission intensity of the investee countries. The indicator is an integral component of the country sustainability model that the Manager developed for its sovereign bond strategies. Consequently, it is included in the country's sustainability score and can influence it positively or negatively depending on its level and development compared to other issuer countries.

The second PAI relates to social issues and focuses on issues of social breaches. Our country sustainability model monitors a number of indicators on this issue, such as respect for civil liberties and political rights, respect for human rights and the level of violence within the country, commitment to key labour law conventions, the issue of equal opportunities and distribution of wealth, etc. These different indicators are included in the country's sustainability score and may influence it positively or negatively depending on its level and evolution compared to other emitting countries.

During the Reference Period, a dialogue was initiated on the results of the sustainability scores with some countries according to the Manager's engagement policy via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf.

Over the Reference Period, the management teams conducted 37 dialogues with the various participants in sovereign debt issues. These dialogues allowed us to verify with the stakeholders the points of attention of the governmental policies, notably in environmental and/or social matters.

Details of the dialogues with countries and companies will be published in an annual report in the first quarter of 2023 on the Manager's website (https://www.dpamfunds.com).

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What were the top investments of this financial product?

The list includes the investments that constitute **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
2 1/4 oat may24 25.05.2024	Public administration and defence; compulsory social security	4.58%	France
Wisdom etfs physical gold usd	Financial and insurance activities	3.58%	United Kingdom
Dpam l bonds eur corporate high yield - p	Financial and insurance activities	3.39%	Luxembourg
0.1% deutschland infl 23 15.04.2023	Public administration and defence; compulsory social security	3.13%	Germany
Corp andina de fomento 0.750% 13-jun-2023	Activities of extraterritorial organisations and bodies	2.44%	Supranational institutions
Canada (government of) 2.25% 01/06/2029	Public administration and defence; compulsory social security	2.20%	Canada
Us treasury notes 2.25% 15/08/2027	Public administration and defence; compulsory social security	2.15%	United States
4 1/4 australia apr26 21.04.2026	Public administration and defence; compulsory social security	1.61%	Australia

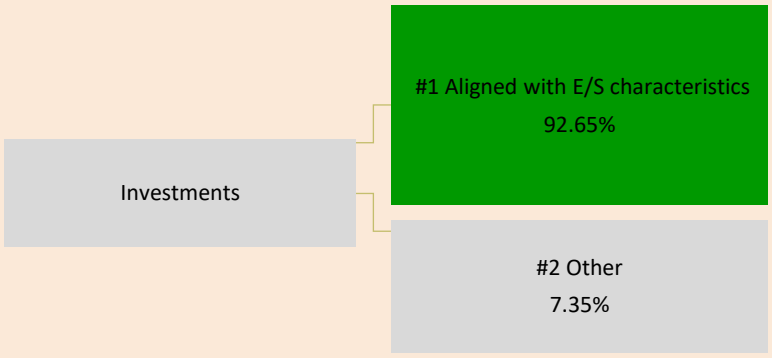
France telecom 2.5% 01/03/2023	Information and communication	1.58%	France
3/4 bk america jul23 26.07.2023	Financial and insurance activities	1.57%	United States
4 3/4 allianz ag perp 24.10.2049	Financial and insurance activities	1.55%	Germany
1/8 uk treas infl mar24 22.03.2024	Public administration and defence; compulsory social security	1.53%	United Kingdom
1/4 at&t mar26 04.03.2026	Information and communication	1.39%	United States
0.9% siemens fin feb28 28.02.2028	Financial and insurance activities	1.39%	Germany
1% renault nov25 28.11.2025	Manufacturing	1.30%	France

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

Through the application of the investment strategy described above, the Sub-fund has invested 92.65% of its assets in securities that meet the environmental and social characteristics it promotes (in the table referred to as "#1 Aligned with E/S Characteristics").



#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 a re neither aligned with the environmental or social characteristics, nor a re qualified as sustainable investments.

- ***In which economic sectors were the investments made?***

Sector	Sub-sector	% of assets
Public administration and defence; compulsory social security	Public administration and defence; compulsory social security	34.91%
Financial and insurance activities	Financial service activities, except insurance and pension funding	20.57%
Manufacturing	Manufacture of computer, electronic and optical products	6.46%
Financial and insurance activities	Insurance, reinsurance and pension funding, except compulsory social security	3.72%
Manufacturing	Manufacture of basic pharmaceutical products and pharmaceutical preparations	3.31%
Information and communication	Telecommunications	3.28%
Financial and insurance activities	Activities auxiliary to financial services and insurance activities	2.72%
Activities of extraterritorial organisations and bodies	Activities of extraterritorial organisations and bodies	2.69%
Electricity, gas, steam and air conditioning supply	Electricity, gas, steam and air conditioning supply	1.91%
Real estate activities	Real estate activities	1.71%
Information and communication	Programming and broadcasting activities	1.56%
Manufacturing	Other manufacturing	1.52%
Manufacturing	Manufacture of machinery and equipment n.e.c.	1.37%
Manufacturing	Manufacture of motor vehicles, trailers and semi-trailers	1.30%
Information and communication	Publishing activities	1.13%
Administrative and support service activities	Office administrative, office support and other business support activities	0.87%
Information and communication	Computer programming, consultancy and related activities	0.83%
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	0.82%
Manufacturing	Manufacture of food products	0.76%
Administrative and support service activities	Travel agency, tour operator reservation service and related activities	0.53%
Other service activities	Other personal service activities	0.51%
Transportation and storage	Land transport and transport via pipelines	0.48%
Manufacturing	Repair and installation of machinery and equipment	0.48%
Manufacturing	Manufacture of chemicals and chemical products	0.46%
Manufacturing	Manufacture of fabricated metal products, except machinery and equipment	0.44%
Manufacturing	Manufacture of paper and paper products	0.43%
Information and communication	Information service activities	0.42%
Manufacturing	Manufacture of electrical equipment	0.42%
Manufacturing	Manufacture of basic metals	0.34%
Manufacturing	Manufacture of wood and of products of wood and cork, straw and plaiting	0.28%
Derivatives	Derivatives	0.27%
Cash	Cash	3.5%

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

Has the financial product invested in fossil gas and/or nuclear energy activities in line with the EU Taxonomy?[1]

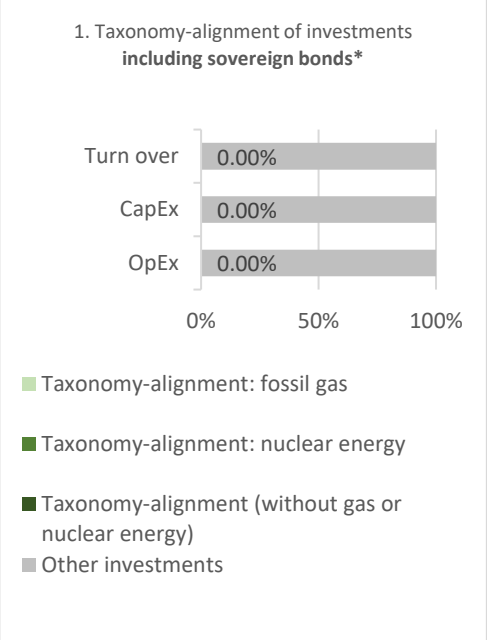
☐ Yes: [specify below, and detail in the graphics in the box].

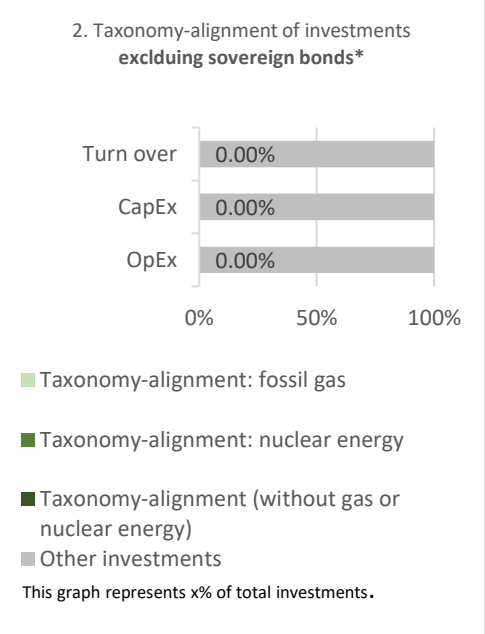
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[1] Fossil gas and/or nuclear activities will only be compliant with the EU Taxonomy if they contribute to mitigating climate change ('climate change mitigation') and do not significantly undermine an objective of the EU Taxonomy - see explanatory note in the left margin. The full criteria for fossil gas and nuclear energy economic activities that are in line with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available.

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable



What was the share of socially sustainable investments?

Not applicable



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole Sub-fund, excluding the:

- Liquid assets
- Derivative instruments
- Collective investment schemes
- Issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

The Sub-fund may invest or hold these types of assets in order to achieve its investment objectives, to diversify its portfolio, to manage liquidity and to hedge its risks.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 3.5% cash.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e.:

- **For direct investments (shares or corporate bonds):**

  On a quarterly basis, a normative screening has been established based on compliance with global standards.

  Secondly, companies meeting the thresholds as defined in the activities excluded by the responsible investment policy were excluded.

  On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

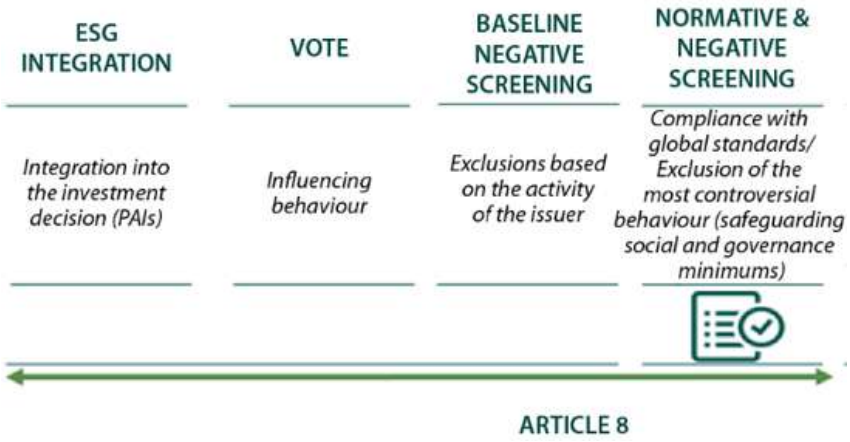
  From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector.

- **For investments in sovereign bonds:**

  The Sub-fund did not invest in countries considered not to meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the Manager applied a methodology that is based primarily on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

  The list of countries was reviewed on a semi-annual basis and provided to management via the management systems so that it could not give transaction orders on papers issued by these excluded countries.

  The stages of the investment process are outlined below:



How did this financial product perform compared to the reference benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product performed compared with the broad market index?***

  Not applicable

Periodic disclosure for financial products referred to in Article 8, paragraph 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: DWS Invest German Equities

Legal entity identifier: 5493007TJOUS8TQOIU47

ISIN: LU0740822621

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ it made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 11.86 % of sustainable investments.
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but did **not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This sub-fund promoted environmental and social characteristics related to climate, governance and social norms as well as sovereign matters through the avoidance of (1) issuers exposed to excessive climate and transition risks, (2) issuers exposed to highest severity of norm issues (i.e. as regards compliance with international standards of corporate governance, human rights and labour rights, customer and environment safety and business ethics), (3) sovereign issuers with high or excessive controversies regarding political and civil liberties, (4) issuers moderately, highly or excessively exposed to controversial sectors and controversial activities, and/or (5) issuers involved in controversial weapons.

This sub-fund further promoted a minimum proportion of sustainable investments with a positive contribution to one or several of the United Nations Sustainable Development Goals (UN SDGs). This sub-fund had not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

No derivatives were used to attain the environmental or social characteristics promoted by the sub-fund.

How did the sustainability indicators perform?

Please see the section entitled “What actions have been taken to meet the environmental and/or social characteristics during the reference period?” for detailed descriptions of the binding elements of the investment strategy used to select the investments for attaining the environmental and/or social characteristics promoted and the assessment methodology for determining whether and to what extent assets and indicators met the defined ESG standards.

The ESG ratios are calculated based on the valuation prices for the assets, which are recorded in the front office system. This can lead to slight variations from the other market prices presented in the annual report, which are taken from the fund accounting system.

DWS Invest German Equities

Indicators	Description	Performance
Sustainability indicators		
Climate and Transition Risk Assessment A		0 % of assets
Climate and Transition Risk Assessment B		12.38 % of assets
Climate and Transition Risk Assessment C		56.82 % of assets
Climate and Transition Risk Assessment D		29.63 % of assets
Climate and Transition Risk Assessment E		1 % of assets
Climate and Transition Risk Assessment F		0 % of assets
ESG Quality Assessment A		62.06 % of assets
ESG Quality Assessment B		16.9 % of assets
ESG Quality Assessment C		16.67 % of assets
ESG Quality Assessment D		4.2 % of assets
ESG Quality Assessment E		0 % of assets
ESG Quality Assessment F		0 % of assets
Norm Assessment A		22.61 % of assets
Norm Assessment B		11.12 % of assets
Norm Assessment C		18 % of assets
Norm Assessment D		40.63 % of assets
Norm Assessment E		7.47 % of assets
Norm Assessment F		0 % of assets
Sovereign Freedom Assessment A		0 % of assets
Sovereign Freedom Assessment B		0 % of assets
Sovereign Freedom Assessment C		0 % of assets
Sovereign Freedom Assessment D		0 % of assets
Sovereign Freedom Assessment E		0 % of assets
Sovereign Freedom Assessment F		0 % of assets
Involvement in controversial sectors		
Civil firearms C		0 % of assets
Civil firearms D		0 % of assets
Civil firearms E		0 % of assets
Civil firearms F		0 % of assets
Coal C		3.04 % of assets
Coal D		0 % of assets
Coal E		2.74 % of assets
Coal F		0 % of assets
Military Defense C		16.86 % of assets
Military Defense D		1.9 % of assets
Military Defense E		0 % of assets
Military Defense F		0 % of assets
Oil sands C		0 % of assets
Oil sands D		0 % of assets
Oil sands E		0 % of assets
Oil sands F		0 % of assets
Tobacco C		0 % of assets
Tobacco D		0 % of assets
Tobacco E		0 % of assets
Tobacco F		0 % of assets
Involvement in controversial weapons		
Anti-personnel mines D		0 % of assets
Anti-personnel mines E		0 % of assets
Anti-personnel mines F		0 % of assets
Cluster munitions D		0 % of assets
Cluster munitions E		0 % of assets
Cluster munitions F		0 % of assets
Depleted uranium weapons D		0 % of assets
Depleted uranium weapons E		0 % of assets
Depleted uranium weapons F		0 % of assets
Nuclear weapons D		0 % of assets
Nuclear weapons E		0 % of assets
Nuclear weapons F		0 % of assets
Principal Adverse Impact		

DWS Invest German Equities

Indicators	Description	Performance
PAII - 02. Carbon Footprint - EUR	The carbon footprint is expressed as tonnes of CO2 emissions per million EUR invested. The CO2 emissions of an issuer are normalised by its enterprise value including cash (EVIC)	955.41
PAII - 03. Carbon Intensity	Weighted average carbon intensity scope 1+2+3	935.65
PAII - 04. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	11.19 %
PAII - 10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0 % of assets
PAII - 14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0 % of assets

As of: December 30, 2022

The Principal Adverse Impact Indicators (PAII) are calculated on the basis of information available within DWS back-office and front-office systems, that are amongst others based on information sourced from external ESG data vendors. In case individual securities or issuers related to such securities do not have information related to an individual PAII, either through a lack of data availability or through the non-applicability of the PAII to that individual issuer or security, the PAII calculation methodology for individual indicators may consider such securities or issuers with a value of 0. For Target Fund investments, a “look-through” into target fund holdings is performed subject to data availability, amongst others related to reasonable actual information of target fund holdings as well as the related security or issuer information. The calculation methodology for the individual PAII indicators may change in subsequent reporting periods as a consequence of evolving market standards, a change of treatment of securities of specific instrument types (such as derivatives), an increase in data coverage or through regulatory clarifications.

DWS ESG-Assessment Scale

In the following assessment categories, the assets received one of six possible scores, with “A” being the best score and “F” being the worst score

Criteria	Involvement in controversial sectors[1]	Involvement in controversial weapons	Norm Assessment[6]	ESG Quality Assessment	SDG-Assessment	Climate & Transition Risk Assessment
A	Non-involvement	Confirmed non-involvement	Confirmed no issues	True leader in ESG (≥ 87.5 DWS ESG score)	True SDG contributor (≥ 87.5 SDG score)	True climate leader (≥ 87.5 score)
B	Remote involvement	Alleged		ESG leader (75–87.5 DWS ESG score)	SDG contributor (75–87.5 SDG score)	Climate solution provider (75–87.5 score)
C	0% – 5%	Dual-Purpose[2]	Violations of lesser degree	ESG upper midfield (50–75 DWS ESG score)	SDG upper midfield (50–75 SDG score)	Low transition risk (50–75 score)
D	5% – 10% (coal: 5% -15%)	Owning[3]/Owned[4]		ESG lower midfield (25–50 DWS ESG score)	SDG lower midfield (25–50 SDG score)	Mod. transition risk (25–50 score)
E	10% – 25% (coal: 15% - 25%)	Component[5] producer	High severity or re-assessed highest severity[7]	ESG laggard (12.5–25 DWS ESG score)	SDG obstructer (12.5–25 SDG score)	High transition risk (12.5–25 score)
F	≥ 25%	Weapon producer	Highest severity/ global compact violation[8]	True laggard in ESG (0–12.5 DWS ESG score)	Significant SDG obstructer (0–12.5 SDG score)	Excessive transition risk (0–12.5 score)

(1) Revenue share thresholds as per standard scheme. Sub-Granularity available: Thresholds can be individually set.
(2) Encompasses e.g., weapon-carrying systems such as combat aircraft that carry non-controversial weapons as well as controversial ones
(3) Owning more than 20% equity
(4) Being owned by more than 50% of company involved in grade E or F.
(5) Single purpose key component.
(6) Includes ILO controversies as well as corporate governance and product issues.
(7) In its ongoing assessment, DWS takes into account the violation(s) of international standards – observed via data from ESG data vendors – such as the UN Global Compact, but also possible ESG data vendor errors identified, future expected developments of these violations as well as the willingness of the issuer to engage in dialogue regarding corporate decisions in this regard.
(8) An F-grade can be considered a reconfirmed violation of the United Nations Global Compact rule framework for corporate behavior.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund invested partially in sustainable investments according to article 2(17) SFDR. Such sustainable investments contributed to at least one of the UN SDGs that relate to environmental and/or social objectives, such as the following (non-exhaustive list):

• Goal 1: No poverty
• Goal 2: Zero hunger
• Goal 3: Good health and well-being
• Goal 4: Quality education
• Goal 5: Gender equality
• Goal 6: Clean water and Sanitation
• Goal 7: Affordable and clean energy
• Goal 10: Reduced inequality
• Goal 11: Sustainable cities and communities
• Goal 12: Responsible consumption
• Goal 13: Climate action
• Goal 14: Life below water
• Goal 15: Life on land

The extent of contribution to individual UN SDGs varied based on the actual investments in the portfolio.

DWS measured the contribution to the UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity can be considered as sustainable. Via this assessment, the sub-fund management evaluated (1) whether an economic activity contributed to one or several of the UN SDGs, (2) whether the economic activity or other economic activities of that company significantly harmed any of these objectives (Do Not Significantly Harm (DNSH) assessment) and (3) whether the company as such was in line with the DWS safeguard assessment.

The sustainability investment assessment used data from multiple data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to determine if an activity was sustainable. Activities that contributed positively to the UN SDGs were measured in terms of revenues, capital expenditure (CapEx) and/or operational expenditure (OpEx). If a positive contribution was determined, the activity was considered sustainable if the company passed the DNSH assessment and complied with the DWS safeguard assessment (as detailed in the section “Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?”.)

The sub-fund did not commit to target a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The DNSH assessment was integral part of the sustainability investment assessment and evaluated whether an economic activity with a contribution to an UN SDG caused significant harm to any of these objectives. In case that a significant harm was identified, the economic activity failed the DNSH assessment and could not be considered as sustainable economic activity.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the DNSH assessment under article 2(17) SFDR, the sustainability investment assessment systematically integrated all mandatory principal adverse indicators from Table 1 and relevant indicators from Tables 2 and 3 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR). Taking into account these adverse impacts, DWS established quantitative thresholds and/or qualitative values to determine if an investment significantly harmed any of the environmental or social objectives. These values were set based upon various external and internal factors, such as data availability or market developments.

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

As part of its sustainability investment assessment, DWS further evaluated through its safeguard assessment the alignment of a company with international norms. This included checks in relation to adherence to international norms, for example, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact and the standards of the International Labour Organization. Companies with assessed and reconfirmed highest violations of one of the international norms were considered as non-compliant to the safeguards and their economic activities could not be considered sustainable.

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 Union Criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union Criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union Criteria for environmentally sustainable economic activities.

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



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund management considered the following principle adverse impacts on sustainability factors from Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation:

• Carbon footprint (no. 2);
• GHG intensity of investee companies (no. 3);
• Exposure to companies active in the fossil fuel sector (no. 4);
• Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
• Exposure to controversial weapons (no. 14).

The above principal adverse impacts were considered at product level through the exclusion strategy for the sub-fund's assets that were aligned with environmental and social characteristics via the proprietary ESG assessment methodology as detailed in section "What actions have been taken to meet the environmental and/or social characteristics during the reference period?".

For sustainable investments, the principal adverse impacts were further considered in the DNSH assessment as described above in section "How were the indicators for adverse impacts on sustainability factors taken into account?".



What were the top investments of this financial product?

DWS Invest German Equities

Largest investments	Breakdown by sector / issuer	in % of average portfolio volume	Breakdown by country
Siemens Reg.	Industrial Goods & Services	8.9 %	Germany
Allianz	Insurance	7.7 %	Germany
Mercedes-Benz Group	Automobiles & Parts	6.7 %	Germany
SAP	Technology	5.4 %	Germany
BASF Reg.	Chemicals	5.3 %	Germany
Deutsche Post Reg.	Industrial Goods & Services	5.1 %	Germany
Infineon Technologies Reg.	Technology	4.5 %	Germany
Münchener Rückversicherungs-Gesellschaft Vink.Reg.	Insurance	4.1 %	Germany
Bayer	Health Care	3.6 %	Germany
Deutsche Bank Reg.	Banks	3.2 %	Germany
Volkswagen Pref.	Automobiles & Parts	3.1 %	Germany
RWE Ord.	Utilities	2.9 %	Germany
Sixt	Consumer Products & Services	2.7 %	Germany
BMW Ord.	Automobiles & Parts	2.6 %	Germany
adidas Reg.	Consumer Products & Services	2.6 %	Germany

for the period from January 01, 2022, through December 30, 2022

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
for the period from January 01, 2022, through December 31, 2022



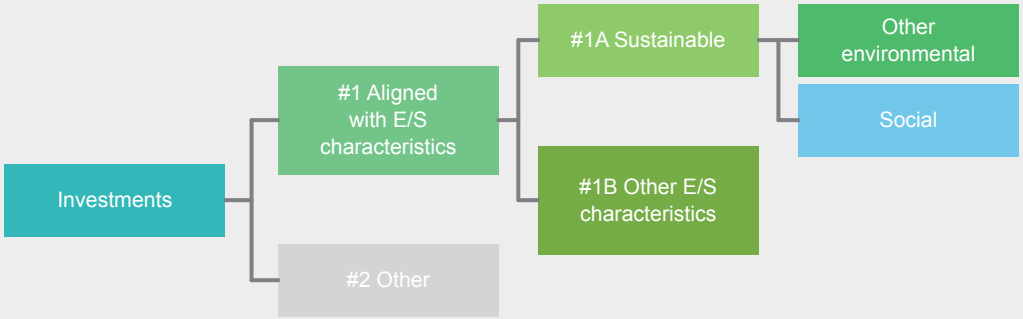
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

This sub-fund invested 99.83% of its net assets in investments that were aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). Within this category,11.86% of the sub-fund's assets qualified as sustainable investments (#1A Sustainable).

0.17% of the investments were not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this sub-fund can be found in the Special Section of the Sales Prospectus.



#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 category **#1 Aligned with E/S characteristics** covers:
- 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.

In which economic sectors were the investments made?

DWS Invest German Equities

Breakdown by sector / issuer	in % of portfolio volume
Information Technology	14.87 %
Telecommunication Services	2.95 %
Consumer Discretionaries	11.13 %
Consumer Staples	17.30%
Financials	18.45 %
Basic Materials	12.20 %
Industrials	19.86 %
Utilities	3.23 %
Exposure to companies active in the fossil fuel sector	

As of: December 31, 2022

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

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

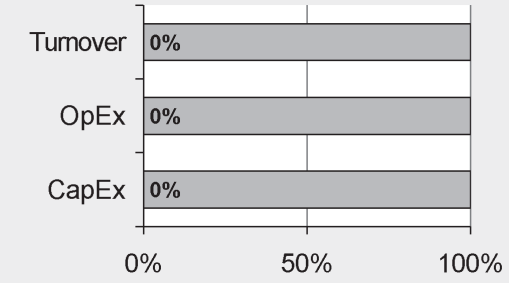
Enabling activities Directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities Are economic activities for yet low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

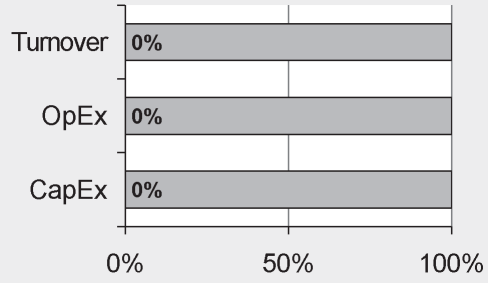
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

2. Taxonomy-alignment of investments **excluding sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Due to a lack of reliable data the sub-fund did not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the percentage of environmentally sustainable investments aligned with the EU Taxonomy was 0% of the sub-fund's net assets. However, there may have been instances in which part of the investments' underlying economic activities were aligned with the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The sub-fund did not have a minimum share of investments in transitional and enabling activities, as it did not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the Regulation (EU) 2020/85.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 11.86% of the net assets of the sub-fund.

What was the share of socially sustainable investments?

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 11.86% of the net assets of the sub-fund.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

This sub-fund promoted a predominant asset allocation in investments that were aligned with environmental and social characteristics (#1 Aligned with E/S characteristics). In addition, and on an ancillary basis, this sub-fund invested into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments could include all asset classes as foreseen in the specific investment policy including cash and derivatives.

In line with the market positioning of this sub-fund, the purpose of these remaining investments was to provide investors with an exposure to non-ESG aligned investments while at the same time ensuring a predominant exposure to environmentally and socially aligned investments. Remaining investments could be used by the portfolio management for performance, diversification, liquidity and hedging purposes.

This sub-fund did not consider any minimum environmental or social safeguards on these remaining investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This sub-fund pursued a strategy based on equities as main investment strategy. At least 75% of the sub-fund's assets were invested in equities, investment certificates, equity warrants, equity-linked warrants and subscription rights of German issuers. German issuers were defined as companies headquartered in Germany.

Further details regarding the main investment strategy are specified in the Special Section of the Sales Prospectus.

The sub-fund's assets were predominantly allocated into investments that complied with the defined standards in respect to the promoted environmental and social characteristics as described in the following sections. The sub-fund's strategy in relation to the promoted environmental or social characteristics was integral part of the ESG assessment methodology, which was continuously monitored via the sub-fund's investment guidelines.

ESG assessment methodology

The portfolio management of this sub-fund sought to attain the promoted environmental and social characteristics by assessing potential investments via a proprietary ESG assessment methodology irrespective of economic prospects of success. This methodology was based on the ESG database, which used data from multiple ESG data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to derive combined scores. The ESG database was therefore constituted by data and figures as well as on internal assessments that took into account factors beyond the processed data and figures, such as an issuer's future expected ESG development, plausibility of the data with regard to past or future events, an issuer's willingness to engage in dialogues on ESG matters or corporate decisions.

The ESG database derived "A" to "F" letter coded assessments within different categories as further detailed below. Within each category, issuers received one of six possible scores, with "A" being the highest score and "F" being the lowest score. If an issuer's score in one category was deemed insufficient, the portfolio management was prohibited from investing in that issuer, even if it was eligible according to other categories. For exclusion purposes, each letter score in a category was considered individually and may result might have resulted in exclusion of an issuer.

The ESG database used a variety of assessment categories to assess the attainment of the promoted environmental and social characteristics, including amongst others:

• **DWS Climate and Transition Risk Assessment**

The DWS Climate and Transition Risk Assessment evaluated issuers in relation to climate change and environmental changes, e.g. in respect to greenhouse gas reduction and water conservation. Issuers that contributed less to climate change and other negative environmental changes or were less exposed to such risks received better evaluations. Issuers with excessive climate risk profile (i.e. a letter score of "F") were excluded as an investment.

• **DWS Norm Assessment**

The DWS Norm Assessment evaluated the behaviour of issuers, for example, within the framework of the principles of the United Nations Global Compact, the standards of the International Labour Organization and behaviour within generally accepted international standards and principles. The Norm Assessment examined, for example, human rights violations, violations of workers' rights, child or forced labour, adverse environmental impacts and business ethics. Issuers with highest severity of norm issues (i.e. a letter score of "F") were excluded as an investment.

• **DWS Sovereign Assessment**

The DWS Sovereign Assessment evaluated the assessment of political and civil liberties. Sovereign issuers with high or excessive controversies regarding political and civil liberties (i.e. a letter score of "E" or "F") were excluded as an investment.

• **Exposure to controversial sectors**

The ESG database defined certain business areas and business activities as relevant. Business areas and business activities were defined as relevant if they involve the production or distribution of products in a controversial area ("controversial sectors"). Controversial sectors were defined, for example, as the civil firearms industry, military defence and tobacco. Other business sectors and business activities that affect the production or distribution of products in other sectors were defined as relevant. Other relevant sectors were, for example, coal mining and coal-based power generation. Issuers were evaluated according to the share of total revenues they generate in controversial business areas and controversial business activities. The lower the percentage of revenues from the controversial business areas and controversial business activities, the better the score.
As regards the involvement in tobacco and civil firearms, issuers (excluding target funds) with a

moderate, high or excessive exposure (i.e. a letter score of “D”, “E” or “F”) were excluded as an investment.
As regards the involvement in the military defence industry, issuers (excluding target funds) with high or excessive exposure (i.e. a letter score of “E” or “F”) were excluded as an investment.
As regards the involvement in coal mining and coal-based power generation or other controversial sectors and controversial business practices, issuers (excluding target funds) with excessive exposure (i.e. a letter score “F”) were excluded as an investment.

• **Involvement in controversial weapons**
The ESG database assessed a company’s involvement in the business of controversial weapons. Controversial weapons included for example anti-personnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, chemical and biological weapons.
Issuers were assessed based on their degree of involvement (production of controversial weapons, component production, etc.) in the manufacturing of controversial weapons, regardless of total revenues they generate from controversial weapons. Issuers (with the exception of target funds) with medium, high or excessive involvement (i.e., a letter score of "D", "E" or "F") were excluded as an investment.

To the extent that the sub-fund sought to attain the promoted environmental and social characteristics as well as corporate governance practices by means of an investment in target funds, the latter must meet the DWS standards on Climate and Transition Risk- and Norm Assessment outlined above.

Derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and were therefore not taken into account for the calculation of the minimum share of assets complying with these characteristics. However, derivatives on individual issuers could only be acquired for the sub-fund if the issuers of the underlying comply with the ESG assessment methodology.

Sustainability investment assessment methodology
Further, for the proportion of sustainable investments DWS measured the contribution to one or several UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity could be considered as sustainable as further detailed in section “What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?”

The applied ESG investment strategy did not pursue a committed minimum reduction of the scope of the investments.

The procedure to assess the good governance practices of the investee companies was based on the DWS Norm Assessment. Accordingly, the assessed investee companies followed good governance practices.

Further, the management company considered active ownership as a strong driver to improve governance, policies and practices, and thus for a better long-term performance of investee companies. Active ownership meant using the position as shareholders to influence the activities or behaviour of the investee companies. An engagement activity could have been initiated with the investee companies regarding matters such as strategy, financial and non-financial performance, risk, capital structure, social and environmental impact as well as corporate governance including topics like disclosure, culture and remuneration. The engagement activity could have been undertaken via, e.g., issuer meetings or engagement letters. Furthermore, for equity investments it could also be an interaction with the company resulting from proxy voting activities or participation at general meetings.



How did this financial product perform compared to the reference sustainable benchmark?

This sub-fund had not designated a reference benchmark to determine whether it was aligned with the environmental and/or social characteristics that it promoted.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Periodic disclosure for financial products referred to in Article 8, paragraph 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: DWS Invest Top Dividend

Legal entity identifier: 5493003XYDKBDCH55556

ISIN: LU0507265923

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ it made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 19.43 % of sustainable investments.
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but did **not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This sub-fund promoted environmental and social characteristics related to climate, governance and social norms as well as sovereign matters through the avoidance of (1) issuers exposed to excessive climate and transition risks, (2) issuers exposed to highest severity of norm issues (i.e. as regards compliance with international standards of corporate governance, human rights and labour rights, customer and environment safety and business ethics), (3) sovereign issuers with high or excessive controversies regarding political and civil liberties, (4) issuers moderately, highly or excessively exposed to controversial sectors and controversial activities, and/or (5) issuers involved in controversial weapons.

This sub-fund further promoted a minimum proportion of sustainable investments with a positive contribution to one or several of the United Nations Sustainable Development Goals (UN SDGs). This sub-fund had not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

No derivatives were used to attain the environmental or social characteristics promoted by the sub-fund.

How did the sustainability indicators perform?

Please see the section entitled “What actions have been taken to meet the environmental and/or social characteristics during the reference period?” for detailed descriptions of the binding elements of the investment strategy used to select the investments for attaining the environmental and/or social characteristics promoted and the assessment methodology for determining whether and to what extent assets and indicators met the defined ESG standards.

The ESG ratios are calculated based on the valuation prices for the assets, which are recorded in the front office system. This can lead to slight variations from the other market prices presented in the annual report, which are taken from the fund accounting system.

DWS Invest Top Dividend

Indicators	Description	Performance
Sustainability indicators		
Climate and Transition Risk Assessment A		0 % of assets
Climate and Transition Risk Assessment B		8.5 % of assets
Climate and Transition Risk Assessment C		44.81 % of assets
Climate and Transition Risk Assessment D		24.44 % of assets
Climate and Transition Risk Assessment E		20.52 % of assets
Climate and Transition Risk Assessment F		0 % of assets
ESG Quality Assessment A		54.19 % of assets
ESG Quality Assessment B		17.9 % of assets
ESG Quality Assessment C		24.61 % of assets
ESG Quality Assessment D		3.43 % of assets
ESG Quality Assessment E		0 % of assets
ESG Quality Assessment F		0 % of assets
Norm Assessment A		12.61 % of assets
Norm Assessment B		11.33 % of asses
Norm Assessment C		33.45 % of assets
Norm Assessment D		30.13 % of assets
Norm Assessment E		10.25 % of assets
Norm Assessment F		0 % of assets
Sovereign Freedom Assessment A		0 % of assets
Sovereign Freedom Assessment B		0.5 % of assets
Sovereign Freedom Assessment C		0 % of assets
Sovereign Freedom Assessment D		0 % of assets
Sovereign Freedom Assessment E		0 % of assets
Sovereign Freedom Assessment F		0 % of assets
Involvement in controversial sectors		
Civil firearms C		0 % of assets
Civil firearms D		0 % of assets
Civil firearms E		0 % of assets
Civil firearms F		0 % of assets
Coal C		4.22 % of assets
Coal D		3.66 % of assets
Coal E		1.8 % of assets
Coal F		0 % of assets
Military Defense C		3,01 % of assets
Military Defense D		0.84 % of assets
Military Defense E		0 % of assets
Military Defense F		0 % of assets
Oil sands C		6.41 % of assets
Oil sands D		0 % of assets
Oil sands E		0 % of assets
Oil sands F		0 % of assets
Tobacco C		0 % of assets
Tobacco D		0 % of assets
Tobacco E		0 % of assets
Tobacco F		0 % of assets
Involvement in controversial weapons		
Anti-personnel mines D		0 % of assets
Anti-personnel mines E		0 % of assets
Anti-personnel mines F		0 % of assets
Cluster munitions D		0 % of assets
Cluster munitions E		0 % of assets
Cluster munitions F		0 % of assets
Depleted uranium weapons D		0 % of assets
Depleted uranium weapons E		0 % of assets
Depleted uranium weapons F		0 % of assets
Nuclear weapons D		0 % of assets
Nuclear weapons E		0 % of assets
Nuclear weapons F		0 % of assets

DWS Invest Top Dividend

Indicators	Description	Performance
Principal Adverse Impact		
PAII - 02. Carbon Footprint - EUR	The carbon footprint is expressed as tonnes of CO2 emissions per million EUR invested. The CO2 emissions of an issuer are normalised by its enterprise value including cash (EVIC)	682.23
PAII - 03. Carbon Intensity	Weighted average carbon intensity scope 1+2+3	1853.52
PAII - 04. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	26.91 %
PAII - 10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0 % of assets
PAII - 14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0 % of assets

As of: December 30, 2022

The Principal Adverse Impact Indicators (PAII) are calculated on the basis of information available within DWS back-office and front-office systems, that are amongst others based on information sourced from external ESG data vendors. In case individual securities or issuers related to such securities do not have information related to an individual PAII, either through a lack of data availability or through the non-applicability of the PAII to that individual issuer or security, the PAII calculation methodology for individual indicators may consider such securities or issuers with a value of 0. For Target Fund investments, a “look-through” into target fund holdings is performed subject to data availability, amongst others related to reasonable actual information of target fund holdings as well as the related security or issuer information. The calculation methodology for the individual PAII indicators may change in subsequent reporting periods as a consequence of evolving market standards, a change of treatment of securities of specific instrument types (such as derivatives), an increase in data coverage or through regulatory clarifications.

DWS ESG-Assessment Scale

In the following assessment categories, the assets received one of six possible scores, with “A” being the best score and “F” being the worst score

Criteria	Involvement in controversial sectors[1]	Involvement in controversial weapons	Norm Assessment[6]	ESG Quality Assessment	SDG-Assessment	Climate & Transition Risk Assessment
A	Non-involvement	Confirmed non-involvement	Confirmed no issues	True leader in ESG (≥ 87.5 DWS ESG score)	True SDG contributor (≥ 87.5 SDG score)	True climate leader (≥ 87.5 score)
B	Remote involvement	Alleged		ESG leader (75–87.5 DWS ESG score)	SDG contributor (75–87.5 SDG score)	Climate solution provider (75–87.5 score)
C	0% – 5%	Dual-Purpose[2]	Violations of lesser degree	ESG upper midfield (50–75 DWS ESG score)	SDG upper midfield (50–75 SDG score)	Low transition risk (50–75 score)
D	5% – 10% (coal: 5% -15%)	Owning[3]/Owned[4]		ESG lower midfield (25–50 DWS ESG score)	SDG lower midfield (25–50 SDG score)	Mod. transition risk (25–50 score)
E	10% – 25% (coal: 15% - 25%)	Component[5] producer	High severity or re-assessed highest severity[7]	ESG laggard (12.5–25 DWS ESG score)	SDG obstructer (12.5–25 SDG score)	High transition risk (12.5–25 score)
F	≥ 25%	Weapon producer	Highest severity/ global compact violation[8]	True laggard in ESG (0–12.5 DWS ESG score)	Significant SDG obstructer (0–12.5 SDG score)	Excessive transition risk (0–12.5 score)

(1) Revenue share thresholds as per standard scheme. Sub-Granularity available: Thresholds can be individually set.
(2) Encompasses e.g., weapon-carrying systems such as combat aircraft that carry non-controversial weapons as well as controversial ones
(3) Owning more than 20% equity
(4) Being owned by more than 50% of company involved in grade E or F.
(5) Single purpose key component.
(6) Includes ILO controversies as well as corporate governance and product issues.
(7) In its ongoing assessment, DWS takes into account the violation(s) of international standards – observed via data from ESG data vendors – such as the UN Global Compact, but also possible ESG data vendor errors identified, future expected developments of these violations as well as the willingness of the issuer to engage in dialogue regarding corporate decisions in this regard.
(8) An F-grade can be considered a reconfirmed violation of the United Nations Global Compact rule framework for corporate behavior.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund invested partially in sustainable investments according to article 2(17) SFDR. Such sustainable investments contributed to at least one of the UN SDGs that relate to environmental and/or social objectives, such as the following (non-exhaustive list):

- Goal 1: No poverty
- Goal 2: Zero hunger
- Goal 3: Good health and well-being
- Goal 4: Quality education
- Goal 5: Gender equality
- Goal 6: Clean water and Sanitation
- Goal 7: Affordable and clean energy
- Goal 10: Reduced inequality
- Goal 11: Sustainable cities and communities
- Goal 12: Responsible consumption
- Goal 13: Climate action
- Goal 14: Life below water
- Goal 15: Life on land

The extent of contribution to individual UN SDGs varied based on the actual investments in the portfolio.

DWS measured the contribution to the UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity can be considered as sustainable. Via this assessment, the sub-fund management evaluated (1) whether an economic activity contributed to one or several of the UN SDGs, (2) whether the economic activity or other economic activities of that company significantly harmed any of these objectives (Do Not Significantly Harm (DNSH) assessment) and (3) whether the company as such was in line with the DWS safeguard assessment.

The sustainability investment assessment used data from multiple data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to determine if an activity was sustainable. Activities that contributed positively to the UN SDGs were measured in terms of revenues, capital expenditure (CapEx) and/or operational expenditure (OpEx). If a positive contribution was determined, the activity was considered sustainable if the company passed the DNSH assessment and complied with the DWS safeguard assessment (as detailed in the section “Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?”.)

The sub-fund did not commit to target a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The DNSH assessment was integral part of the sustainability investment assessment and evaluated whether an economic activity with a contribution to an UN SDG caused significant harm to any of these objectives. In case that a significant harm was identified, the economic activity failed the DNSH assessment and could not be considered as sustainable economic activity.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the DNSH assessment under article 2(17) SFDR, the sustainability investment assessment systematically integrated all mandatory principal adverse indicators from Table 1 and relevant indicators from Tables 2 and 3 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR). Taking into account these adverse impacts, DWS established quantitative thresholds and/or qualitative values to determine if an investment significantly harmed any of the environmental or social objectives. These values were set based upon various external and internal factors, such as data availability or market developments.

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

As part of its sustainability investment assessment, DWS further evaluated through its safeguard assessment the alignment of a company with international norms. This included checks in relation to adherence to international norms, for example, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact and the standards of the International Labour Organization. Companies with assessed and reconfirmed highest violations of one of the international norms were considered as non-compliant to the safeguards and their economic activities could not be considered sustainable.

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 Union Criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union Criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union Criteria for environmentally sustainable economic activities.

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



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund management considered the following principle adverse impacts on sustainability factors from Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation:

• Carbon footprint (no. 2);
• GHG intensity of investee companies (no. 3);
• Exposure to companies active in the fossil fuel sector (no. 4);
• Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
• Exposure to controversial weapons (no. 14).

The above principal adverse impacts were considered at product level through the exclusion strategy for the sub-fund's assets that were aligned with environmental and social characteristics via the proprietary ESG assessment methodology as detailed in section "What actions have been taken to meet the environmental and/or social characteristics during the reference period?".

For sustainable investments, the principal adverse impacts were further considered in the DNSH assessment as described above in section "How were the indicators for adverse impacts on sustainability factors taken into account?".



What were the top investments of this financial product?

DWS Invest Top Dividend

Largest investments	Breakdown by sector / issuer	in % of average portfolio volume	Breakdown by country
Newmont	Basic Resources	2.7 %	United States
Johnson & Johnson	Health Care	2.6 %	United States
Nutrien	Chemicals	2.6 %	Canada
Nextera Energy Inc.	Utilities	2.4 %	United States
TC Energy	Energy	2.4 %	Canada
Nestlé Reg.	Food, Beverage & Tobacco	2.3 %	Switzerland
The Procter & Gamble	Personal Care, Drug & Grocery Stores	2.3 %	United States
Taiwan Semiconductor Manufacturing Co.	Technology	2.3 %	Taiwan
TotalEnergies	Energy	2.1 %	France
BHP Group	Basic Resources	2.0 %	Australia
BCE (new)	Telecommunications	2.0 %	Canada
Nippon Telegraph and Telephone Corp.	Telecommunications	1.9 %	Japan
Pfizer	Health Care	1.9 %	United States
Merck & Co.	Health Care	1.9 %	United States
WEC Energy Group	Utilities	1.9 %	United States

for the period from January 01, 2022, through December 30, 2022

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
for the period from January 01, 2022, through December 31, 2022



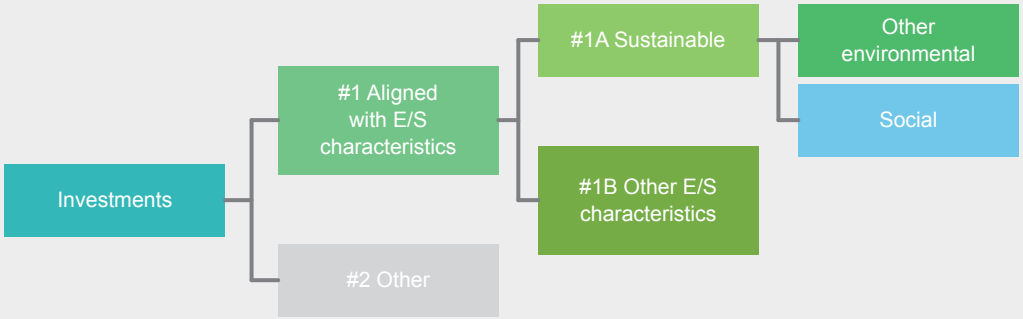
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

This sub-fund invested 100% of its net assets in investments that were aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). Within this category,19.43% of the sub-fund's assets qualified as sustainable investments (#1A Sustainable).

0% of the investments were not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this sub-fund can be found in the Special Section of the Sales Prospectus.



#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 category **#1 Aligned with E/S characteristics** covers:
- 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.

In which economic sectors were the investments made?

DWS Invest Top Dividend

Breakdown by sector / issuer	in % of portfolio volume
Information Technology	3.72 %
Telecommunication Services	6.87 %
Consumer Discretionaries	22.11 %
Energy	13.38 %
Consumer Staples	1.89 %
Financials	14.45 %
Basic Materials	10.38 %
Industrials	8.22 %
Utilities	7.54 %
Central governments	7.41 %
Equity funds	2.98 %
Exposure to companies active in the fossil fuel sector	26.91 %

As of: December 31, 2022

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities Directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities Are economic activities for yet low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

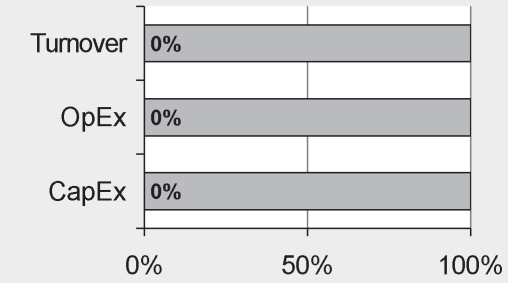
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting the green operational activities of investee companies.

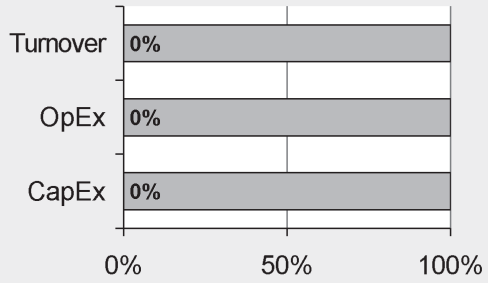
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

2. Taxonomy-alignment of investments **excluding sovereign bonds***



Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Due to a lack of reliable data the sub-fund did not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the percentage of environmentally sustainable investments aligned with the EU Taxonomy was 0% of the sub-fund's net assets. However, there may have been instances in which part of the investments' underlying economic activities were aligned with the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The sub-fund did not have a minimum share of investments in transitional and enabling activities, as it did not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the Regulation (EU) 2020/85.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 19.43 % of the net assets of the sub-fund.

What was the share of socially sustainable investments?

The sub-fund did not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the share of environmentally and socially sustainable investments in total was 19.43 % of the net assets of the sub-fund.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

This sub-fund promoted a predominant asset allocation in investments that were aligned with environmental and social characteristics (#1 Aligned with E/S characteristics). In addition, and on an ancillary basis, this sub-fund invested into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments could include all asset classes as foreseen in the specific investment policy including cash and derivatives.

In line with the market positioning of this sub-fund, the purpose of these remaining investments was to provide investors with an exposure to non-ESG aligned investments while at the same time ensuring a predominant exposure to environmentally and socially aligned investments. Remaining investments could be used by the portfolio management for performance, diversification, liquidity and hedging purposes.

This sub-fund did not consider any minimum environmental or social safeguards on these remaining investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This sub-fund pursued a strategy based on equities as main investment strategy. At least 70% of the sub-fund's assets were invested in equities of international issuers that were expected to deliver an above-average dividend yield. When selecting equities, the following criteria should be of decisive importance: dividend yield above the market average, sustainability of dividend yield and growth, historical and future earnings growth as well as price/earnings ratio.

Further details regarding the main investment strategy are specified in the Special Section of the Sales Prospectus.

The sub-fund's assets were predominantly allocated into investments that complied with the defined standards in respect to the promoted environmental and social characteristics as described in the following sections. The sub-fund's strategy in relation to the promoted environmental or social characteristics was integral part of the ESG assessment methodology, which was continuously monitored via the sub-fund's investment guidelines.

ESG assessment methodology

The portfolio management of this sub-fund sought to attain the promoted environmental and social characteristics by assessing potential investments via a proprietary ESG assessment methodology irrespective of economic prospects of success. This methodology was based on the ESG database, which used data from multiple ESG data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to derive combined scores. The ESG database was therefore constituted by data and figures as well as on internal assessments that took into account factors beyond the processed data and figures, such as an issuer's future expected ESG development, plausibility of the data with regard to past or future events, an issuer's willingness to engage in dialogues on ESG matters or corporate decisions.

The ESG database derived "A" to "F" letter coded assessments within different categories as further detailed below. Within each category, issuers received one of six possible scores, with "A" being the highest score and "F" being the lowest score. If an issuer's score in one category was deemed insufficient, the portfolio management was prohibited from investing in that issuer, even if it was eligible according to other categories. For exclusion purposes, each letter score in a category was considered individually and may result might have resulted in exclusion of an issuer.

The ESG database used a variety of assessment categories to assess the attainment of the promoted environmental and social characteristics, including amongst others:

• **DWS Climate and Transition Risk Assessment**

The DWS Climate and Transition Risk Assessment evaluated issuers in relation to climate change and environmental changes, e.g. in respect to greenhouse gas reduction and water conservation. Issuers that contributed less to climate change and other negative environmental changes or were less exposed to such risks received better evaluations. Issuers with excessive climate risk profile (i.e. a letter score of "F") were excluded as an investment.

• **DWS Norm Assessment**

The DWS Norm Assessment evaluated the behaviour of issuers, for example, within the framework of the principles of the United Nations Global Compact, the standards of the International Labour Organization and behaviour within generally accepted international standards and principles. The Norm Assessment examined, for example, human rights violations, violations of workers' rights, child or forced labour, adverse environmental impacts and business ethics. Issuers with highest severity of norm issues (i.e. a letter score of "F") were excluded as an investment.

• **DWS Sovereign Assessment**

The DWS Sovereign Assessment evaluated the assessment of political and civil liberties. Sovereign issuers with high or excessive controversies regarding political and civil liberties (i.e. a letter score of "E" or "F") were excluded as an investment.

• **Exposure to controversial sectors**

The ESG database defined certain business areas and business activities as relevant. Business areas and business activities were defined as relevant if they involve the production or distribution of products in a controversial area ("controversial sectors"). Controversial sectors were defined, for example, as the civil firearms industry, military defence and tobacco. Other business sectors and business activities that affect the production or distribution of products in other sectors were defined as relevant. Other relevant sectors were, for example, coal mining and coal-based power generation. Issuers were evaluated according to the share of total revenues they generate in controversial business areas and controversial business activities. The lower the percentage of revenues from the

controversial business areas and controversial business activities, the better the score.
As regards the involvement in tobacco and civil firearms, issuers (excluding target funds) with a moderate, high or excessive exposure (i.e. a letter score of “D”, “E” or “F”) were excluded as an investment.
As regards the involvement in the military defence industry, issuers (excluding target funds) with high or excessive exposure (i.e. a letter score of “E” or “F”) were excluded as an investment.
As regards the involvement in coal mining and coal-based power generation or other controversial sectors and controversial business practices, issuers (excluding target funds) with excessive exposure (i.e. a letter score “F”) were excluded as an investment.

• **Involvement in controversial weapons**
The ESG database assessed a company’s involvement in the business of controversial weapons. Controversial weapons included for example anti-personnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, chemical and biological weapons.
Issuers were assessed based on their degree of involvement (production of controversial weapons, component production, etc.) in the manufacturing of controversial weapons, regardless of total revenues they generate from controversial weapons. Issuers (with the exception of target funds) with medium, high or excessive involvement (i.e., a letter score of "D", "E" or "F") were excluded as an investment.

To the extent that the sub-fund sought to attain the promoted environmental and social characteristics as well as corporate governance practices by means of an investment in target funds, the latter must meet the DWS standards on Climate and Transition Risk- and Norm Assessment outlined above.

Derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and were therefore not taken into account for the calculation of the minimum share of assets complying with these characteristics. However, derivatives on individual issuers could only be acquired for the sub-fund if the issuers of the underlying comply with the ESG assessment methodology.

Sustainability investment assessment methodology
Further, for the proportion of sustainable investments DWS measured the contribution to one or several UN SDGs via its sustainability investment assessment which evaluated potential investments in relation to different criteria to conclude that an economic activity could be considered as sustainable as further detailed in section “What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?”

The applied ESG investment strategy did not pursue a committed minimum reduction of the scope of the investments.

The procedure to assess the good governance practices of the investee companies was based on the DWS Norm Assessment. Accordingly, the assessed investee companies followed good governance practices.

Further, the management company considered active ownership as a strong driver to improve governance, policies and practices, and thus for a better long-term performance of investee companies. Active ownership meant using the position as shareholders to influence the activities or behaviour of the investee companies. An engagement activity could have been initiated with the investee companies regarding matters such as strategy, financial and non-financial performance, risk, capital structure, social and environmental impact as well as corporate governance including topics like disclosure, culture and remuneration. The engagement activity could have been undertaken via, e.g., issuer meetings or engagement letters. Furthermore, for equity investments it could also be an interaction with the company resulting from proxy voting activities or participation at general meetings.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference sustainable benchmark?

This sub-fund had not designated a reference benchmark to determine whether it was aligned with the environmental and/or social characteristics that it promoted.

ALLEGATO IV

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma del regolamento (UE) 2020/852

Nome del prodotto: Ethna-AKTIV

Identificativo della persona giuridica: 529900GYLM0Z95YA0Y09

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☐ Ha promosso **caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☒ Sono state promosse caratteristiche ambientali/sociali, ma **non è stato effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nei suoi investimenti obbligazionari e azionari, il Fondo preferisce imprese che dimostrano già una bassa esposizione a rischi ESG essenziali, o che con la loro attività gestiscono attivamente gli inevitabili rischi ESG e pertanto li riducono.

Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics. Il Punteggio del rischio ESG calcolato da Sustainalytics analizza tre fattori, che sono determinanti per giudicare il rischio:

- Governo d'impresa
- Rischi ESG sostanziali a livello settoriale nonché contromisure individuali delle imprese
- Rischi idiosincratici (controversie nelle quali sono coinvolte le imprese)

Il giudizio relativo al governo d'imprese è una caratteristica importante per valutare i rischi ESG e finanziari collegati a un investimento. Nel caso di caratteristiche ambientali e sociali, l'analisi mira ai rischi rilevanti per il settore. Nelle aziende di produzione, oltre ai fattori sociali rappresenta un fattore di rischio anche l'uso delle risorse. L'analisi riguarda pertanto anche caratteristiche ambientali, quali ad esempio:

- Emissione e intensità di gas serra,
- Protezione delle risorse naturali, in particolare dell'acqua,
- Contrasto all'impermeabilizzazione del suolo,
- Protezione delle biodiversità

Le attività delle imprese di servizi hanno effetti nettamente inferiori sull'ambiente, mentre sono in primo piano caratteristiche sociali, che comprendono, ad esempio,

- Condizioni di lavoro eque e retribuzione adeguata,
- Salute e sicurezza sul posto di lavoro,
- Prevenzione della corruzione,
- Prevenzione delle frodi,
- Controllo della qualità dei prodotti

Al centro dell'attenzione del Fondo vi è pertanto la considerazione dei rischi ambientali e sociali rilevanti, che possono variare da un'impresa all'altra. In questo modo il Fondo cerca non solo di evitare i rischi ambientali investendo in imprese i cui rischi ambientali sono già bassi in base all'attività svolta, bensì considera anche imprese che limitano e riducono i rischi ambientali legati al modello di attività tramite una politica di gestione idonea.

Inoltre vi sono esclusioni esaustive che vietano al Fondo numerosi investimenti considerati in generale come critici. Concretamente, sono vietati investimenti in imprese con un'attività fondamentale nei settori degli armamenti, del tabacco, della pornografia, della speculazione su sostanze alimentari essenziali e/o della produzione/distribuzione di carbone. Sono inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrono alcuna prospettiva convincente di rimediare alla situazione. Nel caso di titoli sovrani, sono vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) sono stati dichiarati come "non liberi".

Qual è stata la prestazione degli indicatori di sostenibilità?

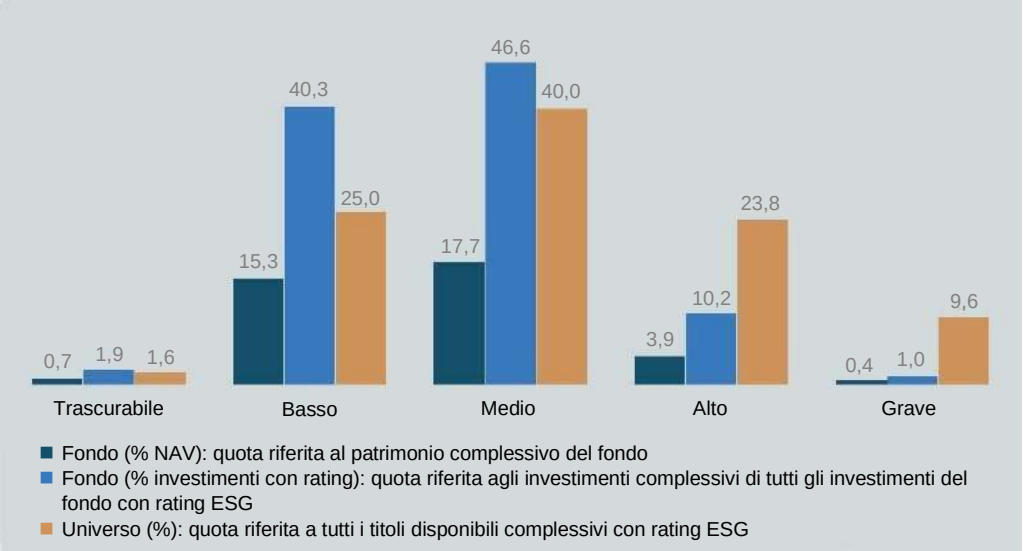
Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics.

Sustainalytics riunisce i risultati delle sue analisi in un unico punteggio del rischio ESG che va da 0 a 100, laddove:
con un punteggio inferiore a 10 si indicano rischi trascurabili,
da 10 a 19,99 si indicano rischi bassi,
da 20 a 29,99 si indicano rischi medi,
da 30 a 39,99 si indicano rischi elevati e
a partire da un punteggio pari a 40 si indicano rischi molto gravi.

In base a questo punteggio di rischi ESG il Fondo deve raggiungere mediamente come minimo un profilo di rischio ESG medio (punteggio di rischio ESG inferiore a 30). Quest'obiettivo è stato raggiunto. Nel periodo interessato dalla relazione periodica il punteggio di rischio ESG del fondo è stato costantemente inferiore a 30. Nel periodo interessato dalla relazione periodica il punteggio di rischio ESG medio è stato 21,9. Al 31 dicembre 2022 il punteggio di rischio ESG è stato 21,6. Singoli titoli con rischi decisamente molto gravi (punteggio di rischio ESG superiore a 50) sono considerati come investimenti nel Fondo solo in casi eccezionali giustificati e devono essere accompagnati da un processo di impegno attivo per migliorare il profilo di rischio ESG dell'investimento. Nel periodo interessato dalla relazione periodica non vi sono stati investimenti nel fondo valutati con un punteggio di rischio ESG corrispondente elevato.

Al 31 dicembre 2022 la distribuzione delle categorie di rischio ESG (in %) del fondo era la seguente:



Nel fondo si escludono investimenti in imprese o prodotti fabbricati dalle imprese che violano le convenzioni delle Nazioni Unite in merito alle munizioni a grappolo, armi chimiche e altre armi destinate a stermini di massa o finanziano tali imprese/prodotti. Altre esclusioni relative a prodotti subentrano quando il fatturato delle imprese dalla fabbricazione e/o distribuzione di determinati beni supera le seguenti dimensioni: carbone (25%), armamenti (10%), armi leggere (10%), intrattenimento per adulti (10%), tabacco (5%).
Sono inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrono alcuna prospettiva convincente di rimediare alla situazione. Nel caso di titoli sovrani, sono vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) sono stati dichiarati come "non liberi".
Nel periodo interessato dalla relazione periodica sono stati rispettati tutti i criteri di esclusione elencati.

- ***… e rispetto ai periodi precedenti?***
  n.d.

- ***Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?***
  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

  ------ In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcur investimento sostenibile.

  ------ In che modo gli investimenti sostenibili sono allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani?

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcur investimento sostenibile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Nel fondo si tiene conto dei principali impatti negativi delle decisioni di investimento sui fattori di sostenibilità, come definito nei seguenti gruppi di temi riportati nell'Allegato 1 della Tabella I del Regolamento (UE) 2022/1288 del Parlamento europeo e del Consiglio del 6 aprile 2022: emissioni di gas serra, biodiversità, acqua, rifiuti nonché problematiche sociali e concernenti il personale.
I gestori del portafoglio si affidano per l'identificazione, la misurazione e la valutazione degli effetti negativi sulla sostenibilità alle analisi esterne delle agenzie di ESG, i documenti pubblici delle imprese nonché a notizie comunicate in dialoghi diretti con i dirigenti delle rispettive imprese. Gli effetti negativi sulla sostenibilità possono essere così analizzati esaurientemente e considerati nelle decisioni di investimento.
Sostanzialmente nella valutazione della sostenibilità degli investimenti si ponderano diversi aspetti della sostenibilità in funzione della loro rilevanza per il rispettivo modello di business. Ad esempio, la rilevanza di emissioni di gas serra in settori ad alta intensità di CO_2 è decisamente superiore rispetto a settori con intensità di CO_2 minore.
Il reporting periodico dei fattori di sostenibilità avviene in base ai dati non elaborati forniti dall'agenzia di rating Sustainalytics.



Quali sono stati i principali investimenti di questo prodotto finanziario?

Quadro medio di quattro scadenze (31.03.2022; 30.06.2022; 30.09.2022 e 31.12.2022):

L'elenco comprende i seguenti investimenti che hanno costituito **la quota maggiore** degli **investimenti** del prodotto finanziario durante periodo di riferimento, ossia tra il 01.01.2022 e il 31.12.2022:

Investimenti di maggiore entità	Settore	in % di attivi	Paese
JAB Consumer Partners SCA SICAR - Global Consumer Brands	ATTIVITÀ FINANZIARIE E ASSICURATIVE	3,4175	Lussemburgo
Stati Uniti d'America v.21(2023)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,7075	Stati Uniti d'America
Stati Uniti d'America v.21(2023)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,305	Stati Uniti d'America
Stati Uniti d'America v.20(2023)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,24	Stati Uniti d'America
Stati Uniti d'America v.21(2026)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,145	Stati Uniti d'America
Stati Uniti d'America v.21(2026)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,14	Stati Uniti d'America
Stati Uniti d'America v.21(2026)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,135	Stati Uniti d'America
Stati Uniti d'America v.17(2024)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	2,0825	Stati Uniti d'America

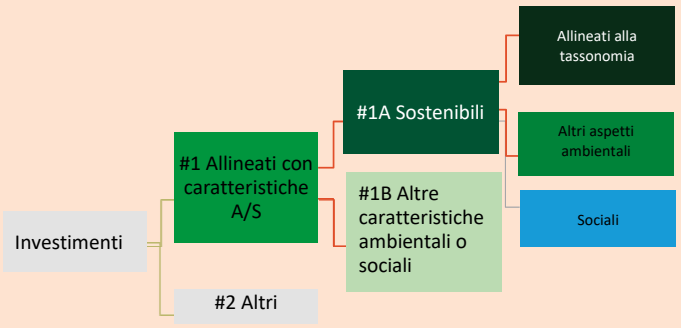
JAB Consumer Partners SCA SICAR Class A1	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,0225	Lussemburgo
Stati Uniti d'America v.21(2026)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	1,815	Stati Uniti d'America
Stati Uniti d'America v.20(2025)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	1,8025	Stati Uniti d'America
Repubblica Federale di Germania Reg.S. v.19(2024)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	1,7475	Germania
Stati Uniti d'America v.22(2024)	AMMINISTRAZIONE PUBBLICA: PREVIDENZA SOCIALE	1,745	Stati Uniti d'America

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti.

Qual è stata l'allocazione degli attivi?



#1 Allineati con caratteristiche ambientali o sociali contempla gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario. La quota di questi investimenti alla scadenza è dell'85,00%.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili. La quota di questi investimenti alla scadenza è del 15,00%.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale; La quota di questi investimenti alla scadenza è dello 0,00%.
- la sottocategoria **#1B Altre caratteristiche A/S**, che contempla gli investimenti allineati con le caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili. La quota di questi investimenti alla scadenza è dell'85,00%.

In quali settori economici sono stati effettuati gli investimenti?

Quadro medio di quattro scadenze (31.03.2022; 30.06.2022; 30.09.2022 e 31.12.2022):

Settore	% di attivi
Titoli di Stato	47,21%
Altro	5,70%
Software e servizi	3,70%

Farmaceutica, biotecnologie e scienze biologiche	3,49%
Servizi di pubblica utilità	3,18%
Alimenti, bevande e tabacco	2,85%
Banche	2,45%
Tecnologia hardware e apparecchiature	2,44%
Mezzi di comunicazione e intrattenimento	2,40%
Vendita al dettaglio	2,20%
Servizi sanitari: attrezzature e servizi	1,95%
Automezzi e componenti	1,47%
Prodotti e servizi finanziari diversificati	1,42%
Beni strumentali	1,42%
Servizi al consumatore	1,42%
Semiconduttori e apparecchiature per la produzione di semiconduttori	1,40%
Energia	1,29%
Materiali	1,23%
Assicurazioni	1,07%
Investimento immobiliare	1,05%
Servizi di telecomunicazione	1,01%
Prodotti per la casa e l'igiene personale	0,91%
Vendita al dettaglio di alimentari e beni di prima necessità	0,71%
Trasporto	0,57%
Prodotti durevoli e tessili	0,56%
Servizi commerciali e materiali operativi	0,05%

Per quanto attinente alla conformità alla tassonomia dell'UE, i criteri per i gas fossili comprendono la limitazione delle emissioni e il passaggio a energia rinnovabile o combustibili a basse emissioni di CO2 entro la fine del 2035. Questi criteri per l'energia nucleare comprendono norme esaustive per la sicurezza e lo smaltimento dei rifiuti.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Lo scopo principale di questo Fondo consiste nel perseguire le caratteristiche ambientali/sociali. Il Fondo pertanto non si impegna attualmente a investire una quota minima del suo patrimonio complessivo in attività economiche ecosostenibili conformemente all'articolo 3 del regolamento sulla tassonomia dell'UE (2020/852). Ciò riguarda eventualmente dati relativi a investimenti in attività economiche classificate conformemente all'articolo 16 o 10 paragrafo 2 del regolamento sulla tassonomia dell'UE (2020/852) come attività abilitanti o attività di transizione.

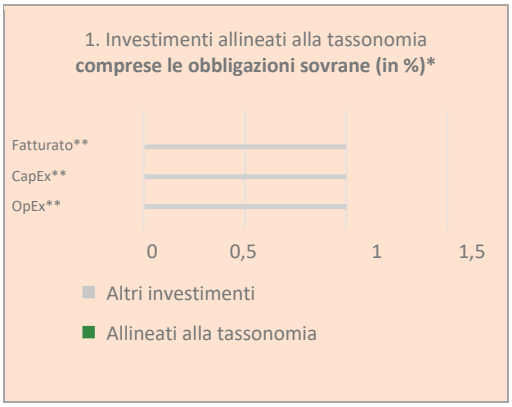
● **Il prodotto finanziario investe in attività di gas fossile e/o energia nucleare[1] conformi alla tassonomia dell'UE?**

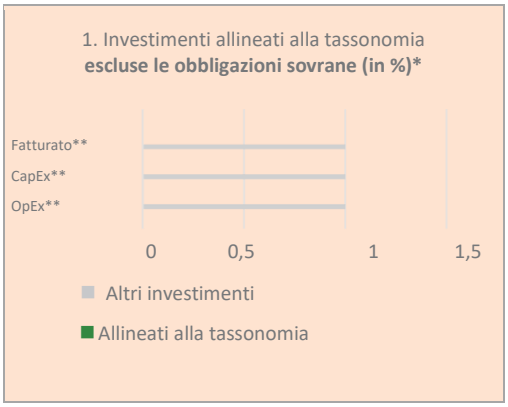
☐ Sì:

☐ in gas fossili ☐ in energia nucleare

☒ No

I due grafici che seguono mostrano in verde la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





* Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

** La quota degli investimenti conformi alla tassonomia misurata per ricavi, CapEx e OpEx non può essere misurata sulla base dei dati disponibili nel mercato al momento attuale.
In questo grafico rientra l'identificazione per il settore di gas fossili ed energia nucleare. Gli investimenti effettuati in questi settori ammontano rispettivamente allo 0,00%.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

● ***Qual è la quota minima di investimenti in attività transitorie e abilitanti?***

Attività transitorie: 0%
Attività abilitanti: 0%

La quota degli investimenti conformi alla tassonomia confluiti in attività di transizione e abilitanti non può essere misurata sulla base dei dati disponibili nel mercato al momento attuale. Si presuppone che questi dati saranno disponibili in occasione della prossima chiusura dell'esercizio.

[1] Le attività nel settore dei gas fossili e/o dell'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono alla mitigazione del cambiamento climatico ("Protezione del clima") e non danneggiano seriamente alcun obiettivo della tassonomia dell'UE; vedasi spiegazioni nel margine a sinistra. I criteri completi per attività economiche conformi alla tassonomia dell'UE nel settore del gas fossile e dell'energia nucleare sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

  n.d.



Qual è la quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE?

Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettuerà alcun investimento sostenibile

La quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE ammonta allo 0%

Qual è la quota minima di investimenti socialmente sostenibili?

Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettuerà alcun investimento sostenibile

La quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE ammonta allo 0%



Quali investimenti sono compresi nella categoria "#2 Altri", qual è il loro scopo ed esistono garanzie minime di salvaguardia ambientale o sociale?

Sono compresi strumenti di copertura, investimenti a scopo di diversificazione (ad esempio materie grezze e altri fondi d'investimento), investimenti per i quali non sono disponibili dati e mezzi liquidi.

"#2 Altri" sono gli investimenti intesi particolarmente alla diversificazione del Fondo e alla destinazione della liquidità per la realizzazione degli scopi descritti nella politica d'investimento.

Gli indicatori di sostenibilità utilizzati per misurare il raggiungimento delle singole caratteristiche ambientali o sociali di cui al punto "#1 Investimenti orientati a caratteristiche ambientali o sociali", non sono applicati sistematicamente riguardo al "#2 Altri". Per "#2 Altri" non esiste alcuna protezione minima.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Una misura essenziale riguardava la considerazione delle esclusioni esaustive che vietano permanentemente al fondo numerosi investimenti considerati in generale come critici. Nel fondo si sono esclusi concretamente nel periodo di riferimento investimenti in imprese o prodotti fabbricati dalle imprese che violano le convenzioni delle Nazioni Unite in merito alle munizioni a grappolo, armi chimiche e altre armi destinate a stermini di massa o finanziano tali imprese/prodotti. Altre esclusioni relative a prodotti subentrano quando il fatturato delle imprese dalla fabbricazione e/o distribuzione di determinati beni avevano superato le seguenti dimensioni: carbone (25%), armamenti (10%), armi leggere (10%), intrattenimento per adulti (10%), tabacco (5%). Sono stati inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrivano alcuna prospettiva convincente di rimediare alla situazione. Nel caso di titoli sovrani, erano vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) erano stati dichiarati come "non liberi".

Un'altra misura essenziale era il processo sostanziale di selezione degli investimenti azionari e obbligazionari per il fondo. A tale proposito il focus resta su imprese che dimostrano già una bassa esposizione a rischi ESG essenziali, o che con la loro attività gestiscono attivamente gli inevitabili rischi ESG e pertanto li riducono.

Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics.

Il Punteggio del rischio ESG calcolato da Sustainalytics analizza tre fattori, che sono determinanti per giudicare il rischio: la direzione delle società, i rischi ESG concreti a livello di settore e le specifiche contromisure adottate dalle società e rischi idiosincratici (controversie nelle quali sono coinvolte le società). Il giudizio relativo al governo d'imprese è una caratteristica importante per valutare i rischi ESG e finanziari collegati a un investimento. Nel caso di caratteristiche ambientali e sociali, l'analisi mira ai rischi rilevanti per il settore. Nelle aziende di produzione, oltre ai fattori sociali rappresenta un fattore di rischio anche l'uso delle risorse. L'analisi riguarda pertanto caratteristiche ambientali, quali ad esempio le emissioni e l'intensità dei gas serra, la protezione delle risorse naturali, in particolare dell'acqua, il contrasto all'impermeabilizzazione del suolo e la protezione della biodiversità. Le attività delle imprese di servizi hanno effetti nettamente inferiori sull'ambiente, mentre sono in primo piano caratteristiche sociali, che comprendono, ad esempio, condizioni di lavoro eque e remunerazione adeguata, salute e sicurezza sul posto di lavoro, prevenzione della corruzione, delle frodi e controlli sulla qualità del prodotto.

Al centro dell'attenzione del fondo vi è pertanto la considerazione dei rischi ambientali e sociali rilevanti, che possono variare da un'impresa all'altra. Il fondo non ha cercato così solo di evitare rischi ambientali investendo in società i cui rischi ambientali sono già bassi in base alla loro attività, bensì ha considerato anche società che con una politica di gestione adeguata hanno limitato e ridotto i rischi ambientali legati al loro

modello di attività.
Un'altra misura riguardava l'impegno con le società partecipate del fondo. Oltre ai colloqui con i rappresentanti delle imprese nonché prese di posizione per iscritto, ad esempio la richiesta di un controllo migliore sulle catene di fornitura per prevenire violazioni dei diritti dell'uomo, è stato utilizzato come importante mezzo di comunicazione soprattutto il diritto al voto nelle assemblee generali annuali. Mentre i colloqui consentono uno scambio di opinioni, di regola non hanno alcun carattere formalmente vincolante. L'esercizio del diritto di voto in un'assemblea generale annuale ha invece anche queste caratteristiche. È pertanto uno strumento efficace per influire sulla direzione delle imprese. Altri dettagli per l'applicazione di queste misure sono disponibili sia nelle Linee guida per l'esercizio del diritto di voto sia nella Relazione per l'esercizio del diritto di voto sul sito web della società di gestione del fondo (https://www.ethenea.com/dokumente-zu-esg/).



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

*Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.*

Non è stato designato alcun indice di riferimento per determinare se il Fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non è stato designato alcun indice di riferimento per determinare se il Fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non è stato designato alcun indice di riferimento per determinare se il Fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non è stato designato alcun indice di riferimento per determinare se il Fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non è stato designato alcun indice di riferimento per determinare se il Fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

ALLEGATO IV

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma del regolamento (UE) 2020/852

Nome del prodotto: **Ethna-DYNAMISCH**

Identificativo della persona giuridica: 5299009YF07LKR4ADA63

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☐ Ha promosso **caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☒ Sono state promosse caratteristiche ambientali/sociali, ma **non è stato effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nei suoi investimenti obbligazionari e azionari, il fondo preferisce imprese che dimostrano già una bassa esposizione a rischi ESG essenziali, o che con la loro attività gestiscono attivamente gli inevitabili rischi ESG e pertanto li riducono.

Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics. Il Punteggio del rischio ESG calcolato da Sustainalytics analizza tre fattori, che sono determinanti per giudicare il rischio:

- Governo d'impresa
- Rischi ESG sostanziali a livello settoriale nonché contromisure individuali delle imprese
- Rischi idiosincratici (controversie nelle quali sono coinvolte le imprese)

Il giudizio relativo al governo d'imprese è una caratteristica importante per valutare i rischi ESG e finanziari collegati a un investimento. Nel caso di caratteristiche ambientali e sociali, l'analisi mira ai rischi rilevanti per il settore. Nelle aziende di produzione, oltre ai fattori sociali rappresenta un fattore di rischio anche l'uso delle risorse. L'analisi riguarda pertanto anche caratteristiche ambientali, quali ad esempio:

- Emissione e intensità di gas serra,
- Protezione delle risorse naturali, in particolare dell'acqua,
- Contrasto all'impermeabilizzazione del suolo,
- Protezione delle biodiversità

Le attività delle imprese di servizi hanno effetti nettamente inferiori sull'ambiente, mentre sono in primo piano caratteristiche sociali, che comprendono, ad esempio,

- Condizioni di lavoro eque e retribuzione adeguata,
- Salute e sicurezza sul posto di lavoro,
- Prevenzione della corruzione,
- Prevenzione delle frodi,
- Controllo della qualità dei prodotti

Al centro dell'attenzione del fondo vi è pertanto la considerazione dei rischi ambientali e sociali rilevanti, che possono variare da un'impresa all'altra. In questo modo il fondo cerca non solo di evitare i rischi ambientali investendo in imprese i cui rischi ambientali sono già bassi in base all'attività svolta, bensì considera anche imprese che limitano e riducono i rischi ambientali legati al modello di attività tramite una politica di gestione idonea.

Inoltre vi sono esclusioni esaustive che vietano al fondo numerosi investimenti considerati in generale come critici. Concretamente, sono vietati investimenti in imprese con un'attività fondamentale nei settori degli armamenti, del tabacco, della pornografia, della speculazione su sostanze alimentari essenziali e/o della produzione/distribuzione di carbone. Sono inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrono alcuna prospettiva convincente di rimediare alla situazione. Nel caso di titoli sovrani, sono vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) sono stati dichiarati come "non liberi".

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

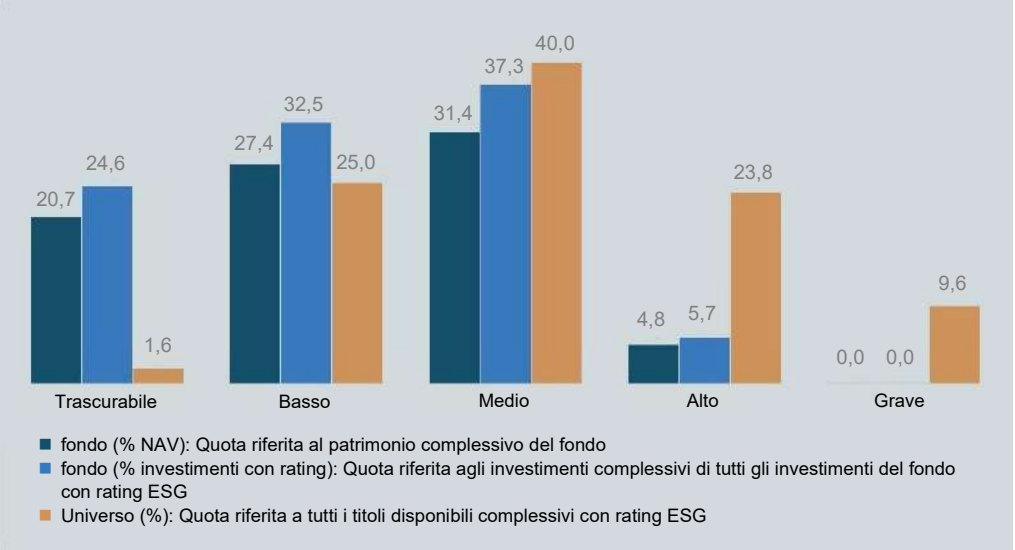
Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics.

Sustainalytics riunisce i risultati delle sue analisi in un unico punteggio del rischio ESG che va da 0 a 100, laddove:
con un punteggio inferiore a 10 si indicano rischi trascurabili,
da 10 a 19,99 si indicano rischi bassi,
da 20 a 29,99 si indicano rischi medi,
da 30 a 39,99 si indicano rischi elevati e
a partire da un punteggio pari a 40 si indicano rischi molto gravi.

In base a questo punteggio di rischi ESG il fondo deve raggiungere mediamente come minimo un profilo di rischio ESG medio (punteggio di rischio ESG inferiore a 25). Quest'obiettivo è stato raggiunto. Nel periodo interessato dalla relazione periodica il punteggio di rischio ESG del fondo è stato costantemente inferiore a 25. Nel periodo interessato dalla relazione periodica il punteggio di rischio ESG medio è stato 17,3. Al 31 dicembre 2022 il punteggio di rischio ESG era 17,1.

Singoli titoli con rischi decisamente molto pesanti (punteggio di rischio ESG superiore a 40) sono considerati come investimenti nel fondo sono in casi eccezionali giustificati e devono essere accompagnati da un processo di impegno attivo per migliorare il profilo di rischio ESG dell'investimento. Nel periodo interessato dalla relazione periodica non vi sono stati investimenti nel fondo valutati con un punteggio di rischio ESG corrispondente elevato.

Al 31 dicembre 2022 la distribuzione delle categorie di rischio ESG (in %) del fondo era la seguente:



Nel fondo si escludono investimenti in imprese o prodotti fabbricati dalle imprese che violano le convenzioni delle Nazioni Unite in merito alle munizioni a grappolo, armi chimiche e altre armi destinate a stermini di massa o finanziano tali imprese/prodotti. Altre esclusioni relative a prodotti subentrano quando il fatturato delle imprese dalla fabbricazione e/o distribuzione di determinati beni supera le seguenti dimensioni: carbone (25%), armamenti (10%), armi leggere (10%), intrattenimento per adulti (10%), tabacco (5%).

Sono inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrono alcuna prospettiva convincente di rimediare alla situazione.

Nel caso di titoli sovrani, sono vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) sono stati dichiarati come "non liberi".

Nel periodo interessato dalla relazione periodica sono stati rispettati tutti i criteri di esclusione elencati.

- ***… e rispetto ai periodi precedenti?***

  n.d.

- ***Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?***

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

  ------ In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

  ------ In che modo gli investimenti sostenibili sono allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani?

  Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettua alcun investimento sostenibile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Nel fondo si tiene conto dei principali impatti negativi delle decisioni di investimento sui fattori di sostenibilità, come definito nei seguenti gruppi di temi riportati nell'Allegato 1 della Tabella I del Regolamento (UE) 2022/1288 del Parlamento europeo e del Consiglio del 6 aprile 2022: emissioni di gas serra, biodiversità, acqua, rifiuti nonché problematiche sociali e concernenti il personale.
I gestori del portafoglio si affidano per l'identificazione, la misurazione e la valutazione degli effetti negativi sulla sostenibilità alle analisi esterne delle agenzie di ESG, i documenti pubblici delle imprese nonché a notizie comunicate in dialoghi diretti con i dirigenti delle rispettive imprese. Gli effetti negativi sulla sostenibilità possono essere così analizzati esaurientemente e considerati nelle decisioni di investimento. Sostanzialmente nella valutazione della sostenibilità degli investimenti si ponderano diversi aspetti della sostenibilità in funzione della loro rilevanza per il rispettivo modello di business. Ad esempio, la rilevanza di emissioni di gas serra in settori ad alta intensità di CO_2 è decisamente superiore rispetto a settori con intensità di CO_2 minore.
Il reporting periodico dei fattori di sostenibilità avviene in base ai dati non elaborati forniti dall'agenzia di rating Sustainalytics.



Quali sono stati i principali investimenti di questo prodotto finanziario?

Quadro medio di quattro scadenze (31.03.2022; 30.06.2022; 30.09.2022 e 31.12.2022):

L'elenco comprende i seguenti investimenti che hanno costituito **la quota maggiore** degli **investimenti** del prodotto finanziario durante periodo di riferimento, ossia tra il 01.01.2022 e il 31.12.2022:

Investimenti di maggiore entità	Settore	in % di attivi	Paese
Bunzl Plc.	ATTIVITÀ PROFESSIONALI, SCIENTIFICHE E TECNICHE	2,7775	Gran Bretagna
TJX Companies Inc.	COMMERCIO ALL'INGROSSO E AL DETTAGLIO; RIPARAZIONE DI AUTOVEICOLI E MOTOCICLI	2,6175	Stati Uniti d'America
Amgen Inc.	ATTIVITÀ PROFESSIONALI, SCIENTIFICHE E TECNICHE	2,555	Stati Uniti d'America
Industria de Diseño Textil S.A.	ATTIVITÀ PROFESSIONALI, SCIENTIFICHE E TECNICHE	2,545	Spagna
General Mills Inc.	ATTIVITÀ MANIFATTURIERE/	2,49	Stati Uniti d'America
Dte. Börse Commodities GmbH/Gold Unze 999 Zert. v.07(2199)	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,3975	Germania
BB Biotech AG	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,3775	Svizzera
Berkshire Hathaway Inc.	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,35	Stati Uniti d'America
Medtronic Plc.	ATTIVITÀ MANIFATTURIERE/	2,3325	Irlanda
VISA Inc.	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,28	Stati Uniti d'America
Salesforce Inc.	INFORMAZIONI E COMUNICAZIONI	2,1975	Stati Uniti d'America

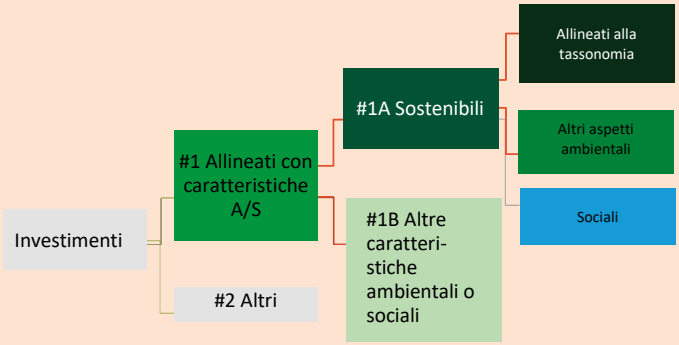
Vontier Corporation	ATTIVITÀ MANIFATTURIERE/	2,1925	Stati Uniti d'America
Morningstar Inc.	ATTIVITÀ FINANZIARIE E ASSICURATIVE	2,055	Stati Uniti d'America
Unilever Plc.	ATTIVITÀ PROFESSIONALI, SCIENTIFICHE E TECNICHE	2,045	Gran Bretagna
Samsung Electronics Co. Ltd. -VZ-	ATTIVITÀ MANIFATTURIERE/	1,97	Corea del Sud

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti.

Qual è stata l'allocazione degli attivi?



#1 Allineati con caratteristiche ambientali o sociali contempla gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario. La quota di questi investimenti alla scadenza è dell'84,00%.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili. La quota di questi investimenti alla scadenza è del 16,00%.

La categoria **#1 Allineati con caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale; La quota di questi investimenti alla scadenza è dello 0,00%.
- la sottocategoria **#1B Altre caratteristiche A/S**, che contempla gli investimenti allineati con le caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili. La quota di questi investimenti alla scadenza è dell'84,00%.

- ***In quali settori economici sono stati effettuati gli investimenti?***

  Quadro medio di quattro scadenze (31.03.2022; 30.06.2022; 30.09.2022 e 31.12.2022):

Settore	**% di attivi**
Banche	12,23%
Software e servizi	11,61%
Altro	8,13%
Prodotti e servizi finanziari diversificati	7,10%
Beni strumentali	6,29%
Vendita al dettaglio	6,25%
Servizi sanitari: attrezzature e servizi	5,67%
Farmaceutica, biotecnologie e scienze biologiche	5,60%
Alimenti, bevande e tabacco	4,71%
Mezzi di comunicazione e intrattenimento	4,61%
Tecnologia hardware e apparecchiature	4,34%
Assicurazioni	2,56%
Prodotti per la casa e l'igiene personale	2,34%
Servizi al consumatore	2,19%
Materiali	1,84%
Investimento immobiliare	1,19%
Automezzi e componenti	0,21%

Per quanto attinente alla conformità alla tassonomia dell'UE, i criteri per i gas fossili comprendono la limitazione delle emissioni e il passaggio a energia rinnovabile o combustibili a basse emissioni di CO2 entro la fine del 2035. Questi criteri per l'energia nucleare comprendono norme esaustive per la sicurezza e lo smaltimento dei rifiuti.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Lo scopo principale di questo fondo consiste nel perseguire le caratteristiche ambientali/sociali. Il Fondo pertanto non si impegna attualmente a investire una quota minima del suo patrimonio complessivo in attività economiche ecosostenibili conformemente all'articolo 3 del regolamento sulla tassonomia dell'UE (2020/852). Ciò riguarda eventualmente dati relativi a investimenti in attività economiche classificate conformemente all'articolo 16 o 10 paragrafo 2 del regolamento sulla tassonomia dell'UE (2020/852) come attività abilitanti o attività di transizione.

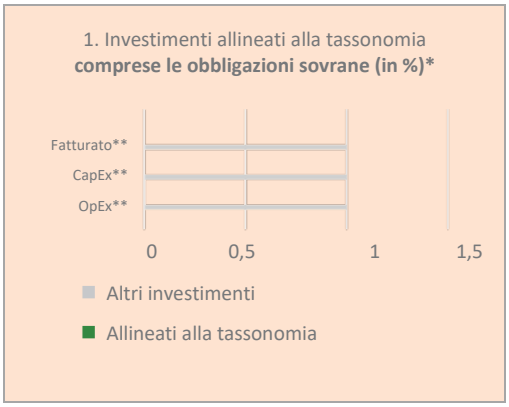
- ***Il prodotto finanziario investe in attività di gas fossile e/o energia nucleare[1] conformi alla tassonomia dell'UE?***

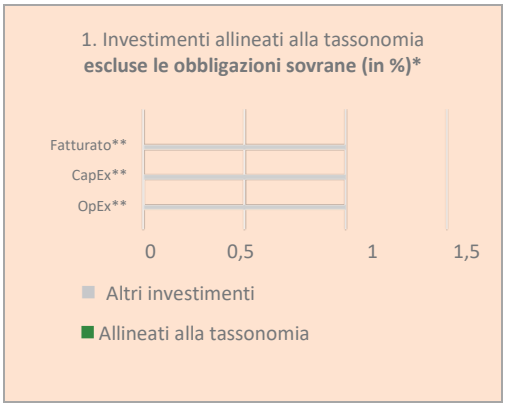
☐ **Sì:**

☐ **in gas fossili** ☐ **in energia nucleare**

☒ **No**

I due grafici che seguono mostrano in verde la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





* Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

** La quota degli investimenti conformi alla tassonomia misurata per ricavi, CapEx e OpEx non può essere misurata sulla base dei dati disponibili nel mercato al momento attuale.
In questo grafico rientra l'identificazione per il settore di gas fossili ed energia nucleare. Gli investimenti effettuati in questi settori ammontano rispettivamente allo 0,00%.

- ***Qual è la quota minima di investimenti in attività transitorie e abilitanti?***

Attività transitorie: 0%
Attività abilitanti: 0%

La quota degli investimenti conformi alla tassonomia confluiti in attività di transizione e abilitanti non può essere misurata sulla base dei dati disponibili nel mercato al momento attuale. Si presuppone che questi dati saranno disponibili in occasione della prossima chiusura dell'esercizio.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

[1] Le attività nel settore dei gas fossili e/o dell'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono alla mitigazione del cambiamento climatico ("Protezione del clima") e non danneggiano seriamente alcun obiettivo della tassonomia dell'UE; vedasi spiegazioni nel margine a sinistra. I criteri completi per attività economiche conformi alla tassonomia dell'UE nel settore del gas fossile e dell'energia nucleare sono stabiliti nel Regolamento delegato (UE) 2022/1214 della Commissione.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

n.d.



Qual è la quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE?

Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettuerà alcun investimento sostenibile
La quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE ammonta allo 0%

Qual è la quota minima di investimenti socialmente sostenibili?

Il prodotto finanziario promuove caratteristiche ambientali/sociali, ma non effettuerà alcun investimento sostenibile
La quota minima di investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE ammonta allo 0%



Quali investimenti sono compresi nella categoria "#2 Altri", qual è il loro scopo ed esistono garanzie minime di salvaguardia ambientale o sociale?

Sono compresi strumenti di copertura, investimenti a scopo di diversificazione (ad esempio materie grezze e altri fondi d'investimento), investimenti per i quali non sono disponibili dati e mezzi liquidi.
"#2 Altri" sono gli investimenti intesi particolarmente alla diversificazione del fondo e alla destinazione della liquidità per la realizzazione degli scopi descritti nella politica d'investimento.
Gli indicatori di sostenibilità utilizzati per misurare il raggiungimento delle singole caratteristiche ambientali o sociali di cui al punto "#1 Investimenti orientati a caratteristiche ambientali o sociali", non sono applicati sistematicamente riguardo al "#2 Altri". Per "#2 Altri" non esiste alcuna protezione minima.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Una misura essenziale riguardava la considerazione delle esclusioni esaustive che vietano permanentemente al fondo numerosi investimenti considerati in generale come critici. Nel fondo si sono esclusi concretamente nel periodo di riferimento investimenti in imprese o prodotti fabbricati dalle imprese che violano le convenzioni delle Nazioni Unite in merito alle munizioni a grappolo, armi chimiche e altre armi destinate a stermini di massa o finanziano tali imprese/prodotti. Altre esclusioni relative a prodotti subentrano quando il fatturato delle imprese dalla fabbricazione e/o distribuzione di determinati beni avevano superato le seguenti dimensioni: carbone (25%), armamenti (10%), armi leggere (10%), intrattenimento per adulti (10%), tabacco (5%). Sono stati inoltre vietati investimenti in imprese per le quali sono state accertate gravi violazioni dei Principi del Global Compact ONU e che non offrivano alcuna prospettiva convincente di rimediare alla situazione. Nel caso di titoli sovrani, erano vietati investimenti in titoli emessi da paesi che nell'analisi annuale della Freedom House (www.freedomhouse.org) erano stati dichiarati come "non liberi".
Un'altra misura essenziale era il processo sostanziale di selezione degli investimenti azionari e obbligazionari per il fondo. A tale proposito il focus resta su imprese che dimostrano già una bassa esposizione a rischi ESG essenziali, o che con la loro attività gestiscono attivamente gli inevitabili rischi ESG e pertanto li riducono.
Per giudicare i rischi ESG rilevanti per le singole imprese nonché valutare la gestione attiva dei rischi ESG all'interno delle imprese, si utilizzano le analisi dell'agenzia di rating esterna Sustainalytics.
Il Punteggio del rischio ESG calcolato da Sustainalytics analizza tre fattori, che sono determinanti per giudicare il rischio: la direzione delle società, i rischi ESG concreti a livello di settore e le specifiche contromisure adottate dalle società e rischi idiosincratici (controversie nelle quali sono coinvolte le società).
Il giudizio relativo al governo d'imprese è una caratteristica importante per valutare i rischi ESG e finanziari collegati a un investimento.
Nel caso di caratteristiche ambientali e sociali, l'analisi mira ai rischi rilevanti per il settore. Nelle aziende di produzione, oltre ai fattori sociali rappresenta un fattore di rischio anche l'uso delle risorse. L'analisi riguarda pertanto caratteristiche ambientali, quali ad esempio le emissioni e l'intensità dei gas serra, la protezione delle risorse naturali, in particolare dell'acqua, il contrasto all'impermeabilizzazione del suolo e la protezione della biodiversità. Le attività delle imprese di servizi hanno effetti nettamente inferiori sull'ambiente, mentre sono in primo piano caratteristiche sociali, che comprendono, ad esempio, condizioni di lavoro eque e remunerazione adeguata, salute e sicurezza sul posto di lavoro, prevenzione della corruzione, delle frodi e controlli sulla qualità del prodotto.
Al centro dell'attenzione del fondo vi è pertanto la considerazione dei rischi ambientali e sociali rilevanti, che possono variare da un'impresa all'altra. Il fondo non ha cercato così solo di evitare rischi ambientali investendo in società i cui rischi ambientali sono già bassi in base alla loro attività, bensì ha considerato anche società che con una politica di gestione adeguata hanno limitato e ridotto i rischi ambientali legati al loro

modello di attività.
Un'altra misura riguardava l'impegno con le società partecipate del fondo. Erano compresi colloqui con i rappresentanti delle imprese, nei quali ad esempio si discuteva e sollecitava il miglioramento di determinati aspetti della buona gestione aziendale. Inoltre è stato utilizzato come importante mezzo di comunicazione soprattutto il diritto al voto nelle assemblee generali annuali. Mentre i colloqui consentono uno scambio di opinioni, di regola non hanno alcun carattere formalmente vincolante. L'esercizio del diritto di voto in un'assemblea generale annuale ha invece anche queste caratteristiche. È pertanto uno strumento efficace per influire sulla direzione delle imprese. Altri dettagli per l'applicazione di queste misure sono disponibili sia nelle Linee guida per l'esercizio del diritto di voto sia nella Relazione per l'esercizio del diritto di voto sul sito web della società di gestione del fondo (https://www.ethenea.com/dokumente-zu-esg/).



Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

Non è stato designato alcun indice di riferimento per determinare se il fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

Non è stato designato alcun indice di riferimento per determinare se il fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

Non è stato designato alcun indice di riferimento per determinare se il fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

Non è stato designato alcun indice di riferimento per determinare se il fondo sia allineato o no alle caratteristiche ambientali e/o sociali che promuove.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Nome del prodotto: EUROFUNDLUX – EQUITY INCOME ESG

Identificativo della persona giuridica: EUROMOBILIARE INTERNATIONAL FUND SICAV

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
●● ☐ **Sì**	●● ☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** _____ % ☐ in attività considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** _____ %	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur **non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)** _____ % di investimenti sostenibili ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo sociale ☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nel periodo di riferimento (1 gennaio 2022 – 31 Dicembre 2022) il Comparto ha promosso le caratteristiche ambientali e sociali secondo quanto previsto nell'informativa pre-contrattuale resa disponibile al cliente ai sensi del SFDR, poichè:

(i) ha investito in misura preponderante in società/emittenti che presentano caratteristiche sostenibili, secondo una strategia di investimento "Positive-tilt", limitando al contempo, gli investimenti in strumenti finanziari che non sono particolarmente sostenibili;

(ii) non ha effettuato investimenti in società/emittenti giudicati come non "socialmente responsabili", tra le altre cose, a causa delle loro attività in determinati settori che hanno un impatto negativo sui fattori ESG.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

Gli Indicatori di Sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali e sociali promosse dal prodotto finanziario.

La prestazione degli indicatori di sostenibilità del Comparto indicati nell'informativa precontrattuale resa disponibile al cliente ai sensi del SFDR, nel periodo di riferimento, è stata la seguente:

INDICATORE	**PERFORMANCE NEL PERIODO DI RIFERIMENTO**
scoring ESG superiore a C– per almeno l'80% degli strumenti finanziari in portafoglio	% di strumenti finanziari in portafoglio superiore a C- è stata pari a 87,25%
soglia massima di investimenti con *scoring* ESG inferiore a D- pari al 3%	% di investimenti finanziari con scoring inferiore a D- è stata pari a 0%
limite di concentrazione al 3% per investimenti in singole azioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola azione con scoring inferiore a C- o senza scoring è stata pari al massimo a 1,08%
limite di concentrazione al 5% per investimenti in singole obbligazioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola obbligazione con scoring inferiore a C- o senza scoring è stata pari al massimo a 0%
Esclusioni di investimenti in:	
(i) società responsabili di gravissime violazioni ai diritti umani e ai diritti dei minori,	Rispettato sul 100% del portafoglio.
(ii) le società che generano ricavi rilevanti da attività legate ad armi controverse (l'esclusione riguarda i soli produttori di armi di primo livello e non le società della filiera produttiva);	Rispettato sul 100% del portafoglio.
(iii) derivati su materie prime alimentari.	Rispettato sul 100% del portafoglio.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I Principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Comparto non ha preso in considerazione i principali effetti negativi dei suoi investimenti sui fattori di sostenibilità nel periodo di riferimento.

Si anticipa che il Comparto ha iniziato in data 1 gennaio 2023 a prendere in considerazione tali effetti. Pertanto, il prossimo rendiconto darà evidenza anche di tali dati.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la quota maggiore di investimenti del prodotto finanziario durante il periodo di riferimento, ossia: i primi 15 investimenti del Comparto che rappresentato il 34,16% del portafoglio del Comparto.

Investimenti di maggiore entità	Settore	% di attivi	Paese
US TREASURY N/ B 2.625%22-15/04/2025	Government Bonds	5,90%	United States
X MSCI EMERGING MARKETS	Fund	3,09%	Ireland
US TREASURY N/ B 1.375%16-30/06/2023	Government Bonds	3,02%	United States
ASTRAZENECA PLC	Health Care	2,79%	Great Britain
AIR LIQUIDE	Industrials	2,20%	France
DEUTSCHE TELEKOM AG-REG	Communication Services	2,08%	Germany
MICROSOFT CORP	Information Technology	1,91%	United States
APPLE	Information Technology	1,86%	United States
EQUINOR ASA	Energy	1,86%	Norway
DEUTSCHE BOERSE	Financials	1,78%	Germany
BEIERSDORF	Consumer Staples	1,76%	Germany
ROCHE HOLDING AG	Health Care	1,61%	Switzerland
RENTOKIL INITIAL PLC	Services	1,59%	Great Britain
SCHNEIDER ELECTRIC SE	Industrials	1,45%	France
AXA	Financials	1,44%	France

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

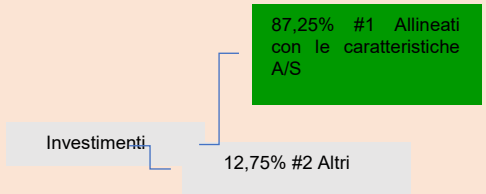
Qual è stata la quota degli investimenti in materia di sostenibilità?

L' Asset allocation Descrive la quota di investimenti in attività specifiche.

- ***Qual è stata l'allocazione degli attivi?***

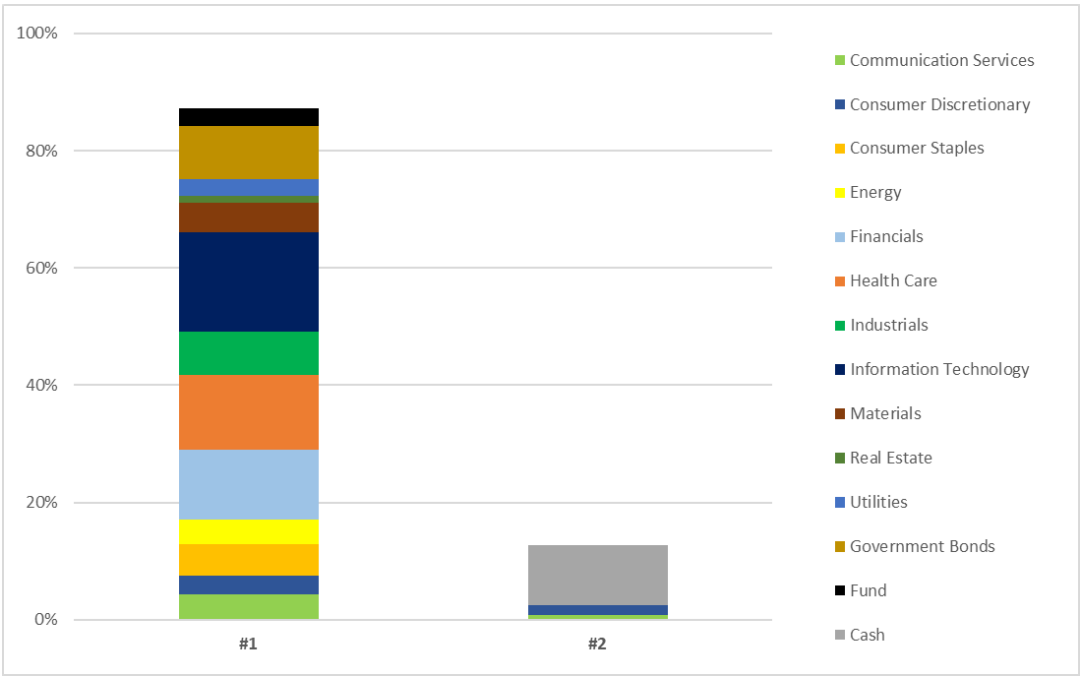
Nel periodo di riferimento, il Comparto ha investito il 87,25% degli attivi in strumenti finanziari (azioni, obbligazioni, strumenti del mercato monetario o OICR) aventi uno scoring superiore a C-.

La restante quota del 12,75% è stata investita in strumenti finanziari con uno scoring ESG basso o senza scoring, o depositi bancari o liquidità o derivati.



#1 Allineati con le caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.
#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

- ***In quali settori economici sono stati effettuati gli investimenti?***



Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprende i seguenti investimenti:

(a) 2,50% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno scoring compreso tra D+ e D-;

(b) 0% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno *scoring* inferiore a D-;

(c) 0% in strumenti finanziari derivati privi di *scoring* ESG;

(d) 10,25% altre componenti inclusi i depositi bancari e la liquidità.

Per tali investimenti resta ferma l'applicazione della predetta politica di esclusione.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Al fine di ritenere soddisfatte le caratteristiche ambientali e sociali promosse dal Comparto, la SGR ha condotto un'attività di monitoraggio nei confronti degli emittenti e degli *asset manager* degli OICR in cui il Comparto ha investito durante il periodo di riferimento, in modo da assicurare il costante rispetto degli indicatori di sostenibilità.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Nome del prodotto: EUROFUNDLUX – EURO DEFENSIVE

Identificativo della persona giuridica: EUROMOBILIARE INTERNATIONAL FUND SICAV

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
•• ☐ **Sì**	•• ☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** _____ % ☐ in attività considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** _____ %	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur **non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)** _____ % di investimenti sostenibili ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo sociale ☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nel periodo di riferimento (1 gennaio 2022 – 31 Dicembre 2022) il Comparto ha promosso le caratteristiche ambientali e sociali secondo quanto previsto nell'informativa pre-contrattuale resa disponibile al cliente ai sensi del SFDR, poichè:

(i) ha investito in misura preponderante in società/emittenti che presentano caratteristiche sostenibili, secondo una strategia di investimento "Positive-tilt", limitando al contempo, gli investimenti in strumenti finanziari che non sono particolarmente sostenibili;

(ii) non ha effettuato investimenti in società/emittenti giudicati come non "socialmente responsabili", tra le altre cose, a causa delle loro attività in determinati settori che hanno un impatto negativo sui fattori ESG.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

La prestazione degli indicatori di sostenibilità del Comparto indicati nell'informativa precontrattuale resa disponibile al cliente ai sensi del SFDR, nel periodo di riferimento, è stata la seguente:

Gli Indicatori di Sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali e sociali promosse dal prodotto finanziario.

INDICATORE	**PERFORMANCE NEL PERIODO DI RIFERIMENTO**
scoring ESG superiore a C– per almeno l'80% degli strumenti finanziari in portafoglio	% di strumenti finanziari in portafoglio superiore a C- è stata pari a 95,63%
soglia massima di investimenti con *scoring* ESG inferiore a D- pari al 3%	% di investimenti finanziari con scoring inferiore a D- è stata pari a 1,48%
limite di concentrazione al 3% per investimenti in singole azioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola azione con scoring inferiore a C- o senza scoring è stata pari al massimo a 0%
limite di concentrazione al 5% per investimenti in singole obbligazioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola obbligazione con scoring inferiore a C- o senza scoring è stata pari al massimo a 0,99%
Esclusioni di investimenti in:	
(i) società responsabili di gravissime violazioni ai diritti umani e ai diritti dei minori,	Rispettato sul 100% del portafoglio.
(ii) le società che generano ricavi rilevanti da attività legate ad armi controverse (l'esclusione riguarda i soli produttori di armi di primo livello e non le società della filiera produttiva);	Rispettato sul 100% del portafoglio.
(iii) derivati su materie prime alimentari.	Rispettato sul 100% del portafoglio.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I Principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Comparto non ha preso in considerazione i principali effetti negativi dei suoi investimenti sui fattori di sostenibilità nel periodo di riferimento.

Si anticipa che il Comparto ha iniziato in data 1 gennaio 2023 a prendere in considerazione tali effetti. Pertanto, il prossimo rendiconto darà evidenza anche di tali dati.

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la quota maggiore di investimenti del prodotto finanziario durante il periodo di riferimento, ossia: i primi 15 investimenti del Comparto che rappresentato il 51,93% del portafoglio del Comparto.

Investimenti di maggiore entità	Settore	% di attivi	Paese
ITALY BTPS 0%21-30/01/2024	Government Bonds	5,73%	Italy
ITALY BOTS 0%22-31/03/2023	Government Bonds	4,93%	Italy
ITALY BOTS 0%22-14/06/2023	Government Bonds	4,90%	Italy
ITALY BOTS 0%22-13/10/2023	Government Bonds	4,84%	Italy
SPANISH GOVT 0%21-31/05/2024	Government Bonds	4,76%	Spain
ITALY BTPS 0.3% 20-15 08 2023	Government Bonds	3,89%	Italy
BUNDESOBL- 1200%20-11/04/2025	Government Bonds	3,27%	Germany
ITALY BTPS 0.1% I/ L 18-15/05/2023	Government Bonds	2,93%	Italy
KFW 2.5%22-19/11/2025	Financials	2,46%	Germany
ITALY BTPS 0.6% 20-15 06 2023	Government Bonds	2,46%	Italy
ITALY BTPS 0%21-15/04/2024	Government Bonds	2,38%	Italy
ITALY BTPS 0%21-15/08/2024	Government Bonds	2,35%	Italy
ITALY BTPS 1.2%22-15/08/2025	Government Bonds	2,34%	Italy
FRANCE 2125 O A T 0%25/02/2025	Government Bonds	2,33%	France
ITALY BTPS 0%21-15/12/2024	Government Bonds	2,32%	Italy

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

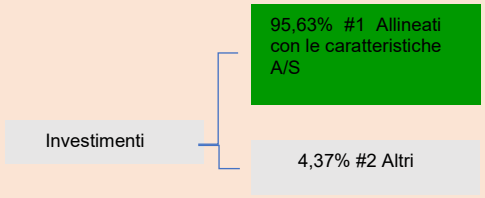
Qual è stata la quota degli investimenti in materia di sostenibilità?

- ***Qual è stata l'allocazione degli attivi?***

L'asset allocation descrive la quota di investimenti in attività specifiche

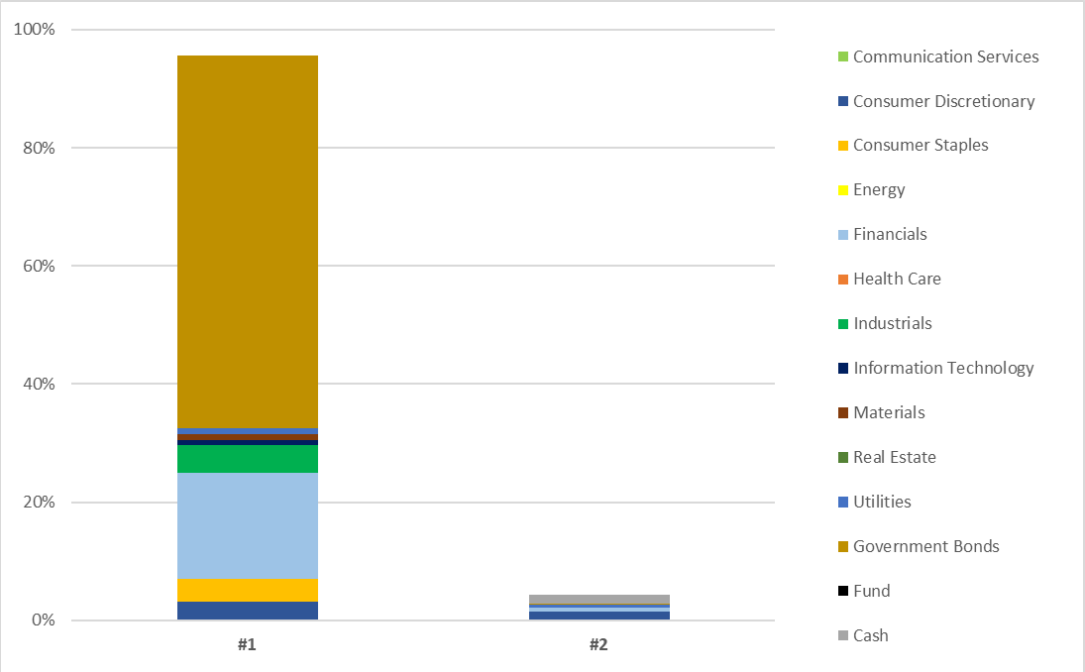
Nel periodo di riferimento, il Comparto ha investito il 95,63% degli attivi in strumenti finanziari (azioni, obbligazioni, strumenti del mercato monetario o OICR) aventi uno scoring superiore a C-.

La restante quota del 4,37% è stata investita in strumenti finanziari con uno scoring ESG basso o senza scoring, o depositi bancari o liquidità o derivati.



#1 Allineati con le caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.
#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

- ***In quali settori economici sono stati effettuati gli investimenti?***



Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Quali investimenti erano compresi nella categoria "Altri"? Qual era il loro scopo ed esistevano? Garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprende i seguenti investimenti:

(a) 0,29% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno scoring compreso tra D+ e D-;

(b) 1,48% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno *scoring* inferiore a D-;

(c) 1,12% in strumenti finanziari derivati privi di *scoring* ESG;

(d) 1,48% altre componenti inclusi i depositi bancari e la liquidità.

Per tali investimenti resta ferma l'applicazione della predetta politica di esclusione.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Al fine di ritenere soddisfatte le caratteristiche ambientali e sociali promosse dal Comparto, la SGR ha condotto un'attività di monitoraggio nei confronti degli emittenti e degli *asset manager* degli OICR in cui il Comparto ha investito durante il periodo di riferimento, in modo da assicurare il costante rispetto degli indicatori di sostenibilità.

Informazioni aggiuntive (non certificate) (segue)

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Nome del prodotto: EUROFUNDLUX – EUROPEAN EQUITY ESG

Identificativo della persona giuridica: EUROMOBILIARE INTERNATIONAL FUND SICAV

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
●● ☐ **Sì**	●● ☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** _____ % ☐ in attività considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** _____ %	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur **non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)** _____ % di investimenti sostenibili ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo sociale ☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nel periodo di riferimento (1 gennaio 2022 – 31 Dicembre 2022) il Comparto ha promosso le caratteristiche ambientali e sociali secondo quanto previsto nell'informativa pre-contrattuale resa disponibile al cliente ai sensi del SFDR, poichè:

(i) ha investito in misura preponderante in società che presentano rating ESG elevati, secondo una strategia di investimento "Best-in-Class";

(ii) non ha effettuato investimenti in società che presentano rating ESG basso e in emittenti giudicati come non "socialmente responsabili", tra le altre cose, a causa delle loro attività in determinati settori che hanno un impatto negativo sui fattori ESG.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)



Gli Indicatori di Sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali e sociali promosse dal prodotto finanziario.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

La prestazione degli indicatori di sostenibilità del Comparto indicati nell'informativa precontrattuale resa disponibile al cliente ai sensi del SFDR, nel periodo di riferimento, è stata la seguente:

INDICATORE	**PERFORMANCE NEL PERIODO DI RIFERIMENTO**
Nessun investimento nelle singole emissioni con *rating* ESG inferiore a C	Rispettato sul 100% degli attivi in gestione
limite di concentrazione al 3% per investimenti in singole azioni senza *scoring*	esposizione verso singola azione senza scoring è stata pari al massimo a 0%
limite di concentrazione al 5% per investimenti in singole obbligazioni senza *scoring*	esposizione verso singola obbligazione senza scoring è stata pari al massimo a 0%
Nessun investimento in emittenti a cui è stata attribuita una "Red Flag" per controversie in materia ESG	Rispettato sul 100% degli attivi in gestione
Esclusioni di investimenti in:	
(i) società responsabili di gravissime violazioni ai diritti umani e ai diritti dei minori,	Rispettato sul 100% degli attivi in gestione
(ii) le società che generano ricavi rilevanti da attività legate ad armi controverse (l'esclusione riguarda i soli produttori di armi di primo livello e non le società della filiera produttiva);	Rispettato sul 100% degli attivi in gestione
(iii) derivati su materie prime alimentari.	Rispettato sul 100% degli attivi in gestione

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I Principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Comparto non ha preso in considerazione i principali effetti negativi dei suoi investimenti sui fattori di sostenibilità nel periodo di riferimento.

Si anticipa che il Comparto ha iniziato in data 1 gennaio 2023 a prendere in considerazione tali effetti. Pertanto, il prossimo rendiconto darà evidenza anche di tali dati.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la quota maggiore di investimenti del prodotto finanziario durante il periodo di riferimento, ossia: i primi 15 investimenti del Comparto che rappresentato il 55,62% del portafoglio del Comparto.

Investimenti di maggiore entità	Settore	% di attivi	Paese
ASTRAZENECA PLC	Health Care	8,12%	Great Britain
NOVO NORDISK	Health Care	4,81%	Denmark
ROCHE HOLDING AG	Health Care	4,70%	Switzerland
ZURICH INSURANCE GROUP AG	Financials	4,31%	Switzerland
AIR LIQUIDE	Industrials	4,25%	France
BNP PARIBAS	Financials	3,42%	France
SCHNEIDER ELECTRIC SE	Industrials	3,39%	France
AXA	Financials	3,35%	France
EQUINOR ASA	Energy	3,25%	Norway
SAP AG	Information Technology	3,09%	Germany
UNILEVER PLC	Consumer Staples	3,00%	Great Britain
ABB LTD-REG	Industrials	2,74%	Switzerland
NORDEA BANK AB	Financials	2,58%	Finland
DEUTSCHE TELEKOM AG-REG	Communication Services	2,42%	Germany
LVMH MOET HENNESSY	Textile	2,21%	France

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

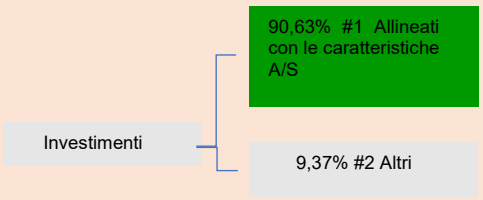
Qual è stata la quota degli investimenti in materia di sostenibilità?

L' Asset allocation
Descrive la quota di investimenti in attività specifiche.

- ***Qual è stata l'allocazione degli attivi?***

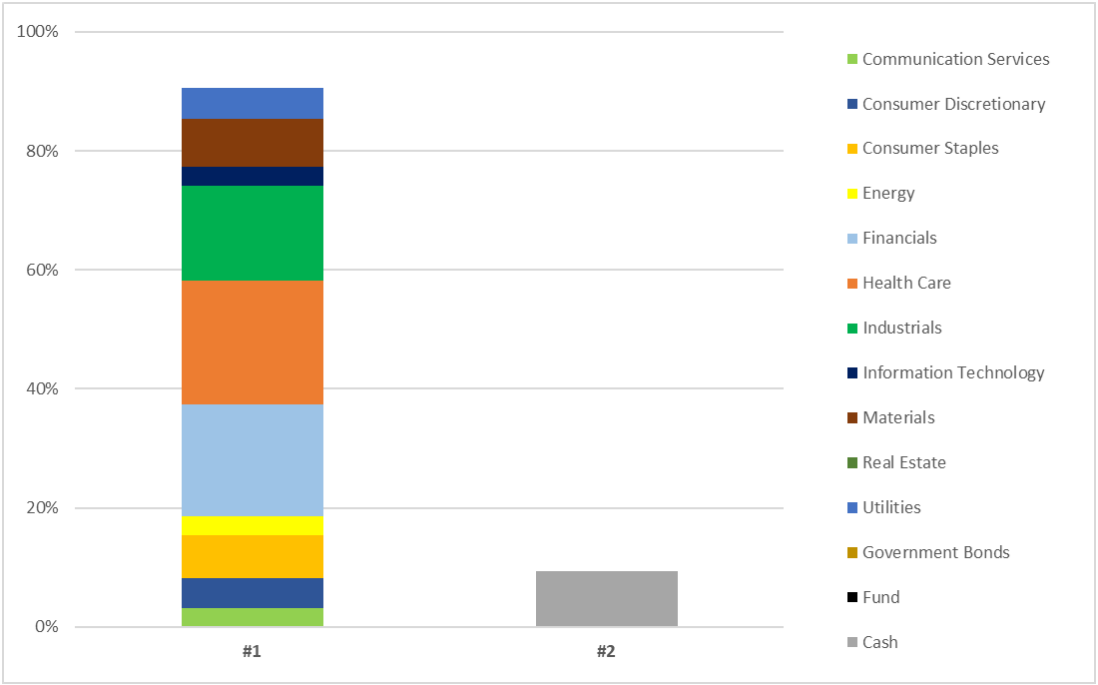
Nel periodo di riferimento, il Comparto ha investito il 90,63% degli attivi in strumenti finanziari (azioni, obbligazioni, strumenti del mercato monetario o OICR) aventi uno scoring superiore a C-.

La restante quota del 9,37% è stata investita in strumenti finanziari con uno scoring ESG basso o senza scoring, o depositi bancari o liquidità o derivati.



#1 Allineati con le caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.
#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

- ***In quali settori economici sono stati effettuati gli investimenti?***



Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Quali investimenti erano compresi nella categoria "Altri"? Qual era il loro scopo ed esistevano? Garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprende i seguenti investimenti:

(a) 0% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno scoring compreso tra D+ e D-;

(b) 0% strumenti finanziari (obbligazioni, azioni, strumenti del mercato monetario o OICR) aventi uno *scoring* inferiore a D-;

(c) 0% in strumenti finanziari derivati privi di *scoring* ESG;

(d) 9,37% altre componenti inclusi i depositi bancari e la liquidità.

Per tali investimenti resta ferma l'applicazione della predetta politica di esclusione.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Al fine di ritenere soddisfatte le caratteristiche ambientali e sociali promosse dal Comparto, la SGR ha condotto un'attività di monitoraggio nei confronti degli emittenti e degli *asset manager* degli OICR in cui il Comparto ha investito durante il periodo di riferimento, in modo da assicurare il costante rispetto degli indicatori di sostenibilità.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.

Nome del prodotto:
FAST - Emerging Markets Fund

Identificativo della persona giuridica:
549300BLVB8H8C5DUV35

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 30% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso le caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG. che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani. Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:
i) 98,75% il del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 30% il del comparto è stato investito in investimenti sostenibili; e
iv) 8% il del comparto è stato investito in investimenti sostenibili con un obiettivo ambientale in attività economiche (non considerate ecosostenibili ai sensi della Tassonomia UE); e
v) 22% il del comparto è stato investito in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 30% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale.
Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali; a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.
Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite.
Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima.
Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI,
il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).
Gli emittenti con un punteggio basso non erano idonei a diventare “investimenti sostenibili”, a meno che la ricerca dei fondamentali di Fidelity non determinasse che l’emittente non stava violando requisiti finalizzati a “non arrecare un danno significativo” o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell’Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-10-01 - 2023-09-30

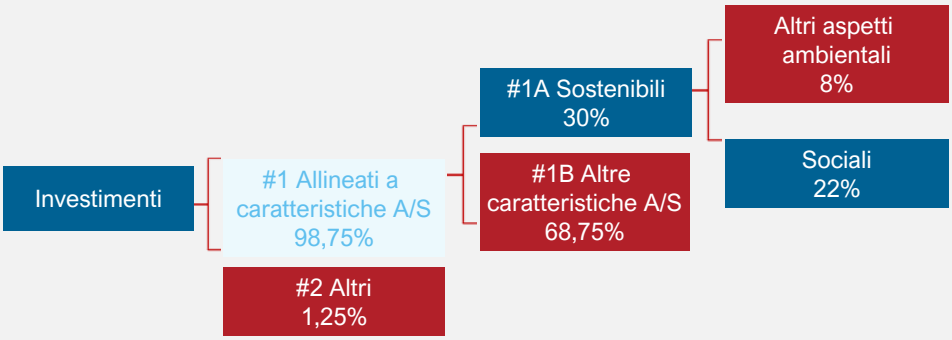
Investimenti di maggiore entità	Settore	% di attivi	Paese
HDFC Bank	Finanziari	6,19%	India
Kaspi.KZ	Finanziari	4,79%	Kazakistan
Naspers	Prodotti voluttuari	4,13%	Sudafrica
Bank Central Asia	Finanziari	2,95%	Indonesia
MediaTek	Informatica	2,25%	Taiwan
Chailease Holding	Finanziari	2,25%	Taiwan
ICICI Bank ADR	Finanziari	2,22%	Ind
Localiza Rent a Car SA	Industriali	2,17%	Brasile
Taiwan Semiconductor Manufacturing	Informatica	2%	Taiwan
OMV AG	Energia	1,91%	Austria
Infosys	Informatica	1,86%	Ind
China Resources Land	Immobiliare	1,81%	Hong Kong
Armac Locacao Logistica E Servicos SA	Industriali	1,68%	Brasile
Axis Bank	Finanziari	1,68%	India
Samsonite International SA (A)	Prodotti voluttuari	1,64%	Stati Uniti

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti alimentari	3,31%
	Vendita al dettaglio di alimenti e prodotti di base	2,63%
	Bevande	1,18%
Energia	Petrolio, gas e combustibili consumabili	4,13%
	Attrezzature e servizi energetici	0,17%
Finanziari	Finanza al consumo	5,53%
	Servizi finanziari diversificati	3,9%
	Banche commerciali	19,77%
	Mercati dei capitali	0,53%
	Assicurazione	0,04%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	0,01%
Immobiliare	Azioni - Azioni ordinarie - Gestione e sviluppo immobiliare - Immobiliare	1,81%
Industriali	Strade e ferrovie	3,36%
	Società commerciali e distributori	2,77%
	Infrastrutture di trasporto	1,83%
	Macchinari	1%
	Conglomerati industriali	0,81%
	Marina	0,63%
	Servizi e forniture commerciali	0,55%
	Compagnie aeree	0,5%

Industriali	Apparecchiature elettriche	0,1%
	Servizi professionali	0%
Informatica	Apparecchiature e prodotti per semiconduttori	4,73%
	Servizi IT	4%
	Strumenti e componenti per apparecchiature elettroniche	0,76%
	Computer e periferiche	0,68%
	Software	0,32%
	Software e servizi Internet	0,25%
	Apparecchiature di comunicazione	0,14%
Materiali	Metallurgia e miniere	7,13%
	Materiali da costruzione	1,74%
	Prodotti chimici	0,96%
Prodotti voluttuari	Vendita al dettaglio multilinea	5,33%
	Hotel, ristoranti e tempo libero	4,4%
	Tessile e abbigliamento	3,85%
	Automobili	2,35%
	Vendita al dettaglio specializzata	0,81%
	Media	0,48%
	Servizi al consumo diversificati	0,39%
	Componenti per auto	0,16%
	Beni durevoli per uso domestico	0,15%
Servizi di comunicazione	Servizi di telecomunicazione wireless	0,7%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito idrico	0,95%
	Servizi di pubblica utilità in ambito elettrico	0,06%
Titoli indicizzati ad azioni	Titoli indicizzati ad azioni	0,48%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti**

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 0% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE.
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

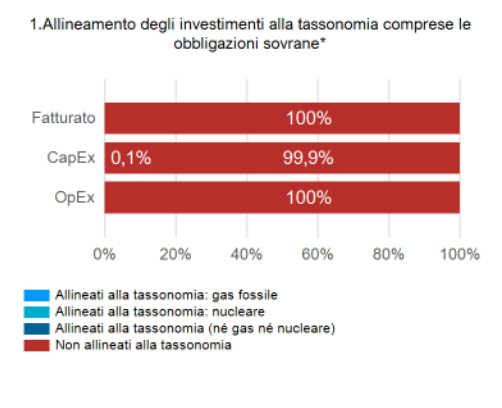
consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.

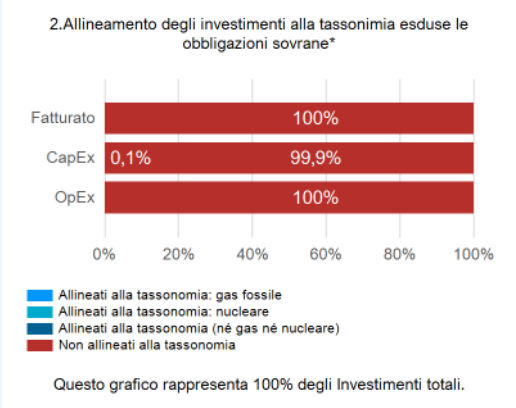
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato:** quota di entrate da attività verdi delle imprese beneficiarie degli investimenti
- **spese in conto capitale** (CapEx):investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

I due grafici seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La SICAV ha investito almeno il 0% in attività transizionali e almeno il 0,07% in attività abilitanti.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 8% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 22% di investimenti sostenibili con un obiettivo sociale.

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi allineati all'obiettivo finanziario dello stesso, liquidità e strumenti equivalenti a fini di liquidità e derivati utilizzati per investimenti e gestione efficiente del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:

1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
3. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.

Nome del prodotto:
FAST - Europe Fund

Identificativo della persona giuridica:
549300MOAWQYUPCW2D14

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si

☒ No

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 75,31% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso le caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG. che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani. Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:
i) 93,33% il del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 75,31% il del comparto in investimenti sostenibili; e
iv) 52,02% il del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 75,31% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali; a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.
Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite.
Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima.
Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI,
il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).
Gli emittenti con un punteggio basso non erano idonei a diventare “investimenti sostenibili”, a meno che la ricerca dei fondamentali di Fidelity non determinasse che l’emittente non stava violando requisiti finalizzati a “non arrecare un danno significativo” o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell’Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-10-01 - 2023-09-30

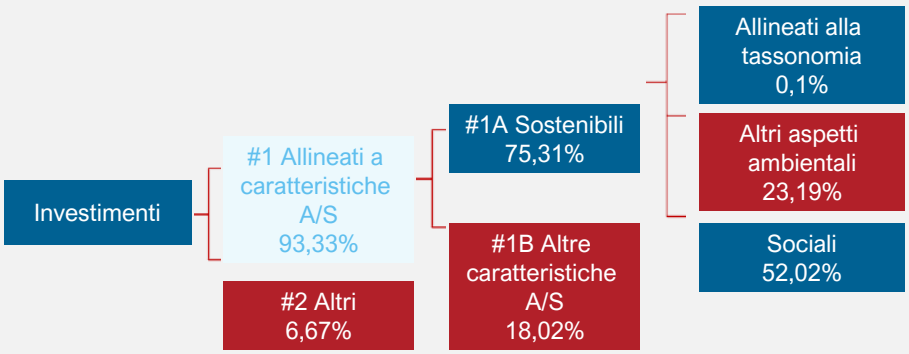
Investimenti di maggiore entità	Settore	% di attivi	Paese
Novo Nordisk (B)	Sanità	6,52%	Danimarca
Merck (A)	Sanità	5,4%	Danimarca
Experian	Industriali	5,29%	Irlanda
SAP SE	Informatica	5,2%	Germania
Fidelity Institutional Liquidity Fund - A-ACC-EUR	Fondo di tipo aperto	4,17%	Irlanda
Infineon Technologies AG	Informatica	4,16%	Germania
Edenred SE	Finanziari	3,19%	Francia
Air Liquide SA (A)	Materiali	3,16%	Francia
RELX	Industriali	3,05%	Regno Unito
Sage Group	Informatica	2,85%	Regno Unito
Bunzl	Industriali	2,84%	Regno Unito
Coloplast (B)	Sanità	2,69%	Danimarca
Amadeus IT Group SA (A)	Prodotti voluttuari	2,44%	Spagna
Sandvik (B)	Industriali	2,4%	Svezia
Burberry Group	Prodotti voluttuari	2,36%	Regno Unito

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti per la cura della persona	1,63%
	Tabacco	0,8%
Finanziari	Servizi finanziari diversificati	9,35%
	Assicurazione	1,7%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	4,17%
Industriali	Società commerciali e distributori	4,16%
	Macchinari	2,4%
	Prodotti per l'edilizia	2,21%
	Servizi professionali	10,82%
	Compagnie aeree	0,61%
Informatica	Apparecchiature e prodotti per semiconduttori	4,16%
	Software e servizi Internet	3,16%
	Servizi IT	2,16%
	Software	10,28%
Materiali	Prodotti chimici	3,98%
Prodotti voluttuari	Tessile e abbigliamento	6,25%
	Hotel, ristoranti e tempo libero	2,44%
	Vendita al dettaglio specializzata	2,34%
	Vendita al dettaglio multilinea	1,46%
	Automobili	0,79%
Sanità	Attrezzature e forniture sanitarie	7,78%
	Strumenti e servizi per le scienze biologiche	4,43%
	Prodotti farmaceutici	11,91%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 0,1% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE.
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

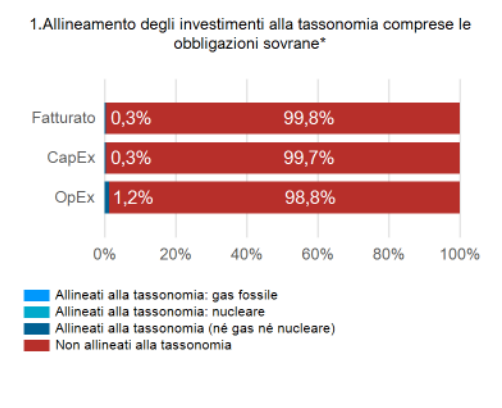
altreattività di apportare un contributo sostanziale a un obiettivo ambientale.

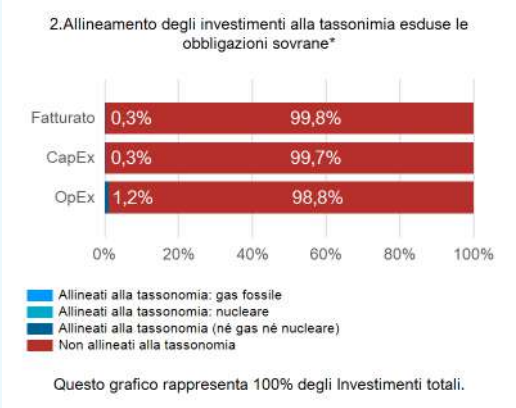
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato:** quota di entrate da attività verdi delle imprese beneficiarie degli investimenti
- **spese in conto capitale** (CapEx):investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

I due grafici seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La SICAV ha investito almeno il 1,44% in attività transizionali e almeno il 0,08% in attività abilitanti.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 23,19% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 52,02% di investimenti sostenibili con un obiettivo sociale.

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi allineati all'obiettivo finanziario dello stesso, liquidità e strumenti equivalenti a fini di liquidità e derivati utilizzati per investimenti e gestione efficiente del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:

1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
3. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - America Fund

Identificativo della persona giuridica:
549300V54PMROCISWF43

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 47.9% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 82.68% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 47.9% del comparto in investimenti sostenibili; e
iv) 27.06% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 47.9% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Berkshire Hathaway (B)	Finanziari	4.37%	Stati Uniti d'America
McKesson	Sanità	3.76%	Stati Uniti d'America
Elevance Health	Sanità	3.75%	Stati Uniti d'America
Cheniere Energy	Energia	3.59%	Stati Uniti d'America
Baker Hughes	Energia	3.52%	Stati Uniti d'America
Wells Fargo	Finanziari	3.43%	Stati Uniti d'America
AmerisourceBergen	Sanità	3.07%	Stati Uniti d'America
Exelon	Servizi di pubblica utilità	2.80%	Stati Uniti d'America
Sempra Energy	Servizi di pubblica utilità	2.75%	Stati Uniti d'America
Norfolk Southern	Industriali	2.72%	Stati Uniti d'America
Alphabet (A)	Informatica	2.59%	Stati Uniti d'America
FedEx	Industriali	2.58%	Stati Uniti d'America
Union Pacific	Industriali	2.55%	Stati Uniti d'America
Bunge	Beni di prima necessità	2.42%	Stati Uniti d'America
Johnson & Johnson	Sanità	2.38%	Stati Uniti d'America

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

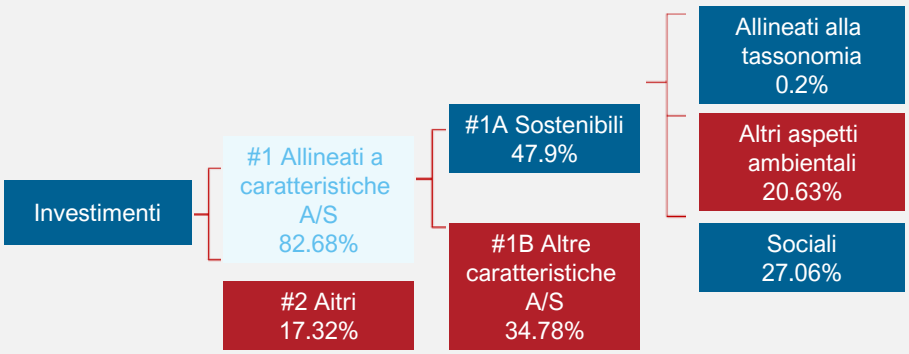
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 47.9% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 82.68% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 47.9% in investimenti sostenibili (#1A sostenibili)* di cui il 0.2% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 20.63% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 27.06% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Vendita al dettaglio di alimenti e prodotti di base	3.98%
	Prodotti alimentari	2.42%
	Bevande	2.07%
Energia	Attrezzature e servizi energetici	5.10%
	Petrolio, gas e combustibili consumabili	4.33%
Finanziari	Banche commerciali	5.73%
	Servizi finanziari diversificati	4.37%
	Assicurazione	2.04%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	0.60%
Immobiliare	Real Estate Investment Trust (REIT)	1.87%
	Azioni - Azioni ordinarie - Immobiliare - Prodotti specializzati	0.58%
Industriali	Strade e ferrovie	5.81%
	Trasporto aereo e corrieri	2.58%
	Prodotti per l'edilizia	1.36%
	Macchinari	1.26%
	Società commerciali e distributori	1.23%
	Servizi professionali	0.33%
Informatica	Apparecchiature e prodotti per semiconduttori	3.45%
	Software e servizi Internet	2.59%
	Software	2.44%
	Servizi IT	1.20%
	Computer e periferiche	0.85%
Materiali	Metallurgia e miniere	2.25%
	Prodotti chimici	0.88%
	Rame	0.61%
Prodotti voluttuari	Vendita al dettaglio specializzata	2.03%
	Vendita al dettaglio multilinea	1.09%
	Tessile e abbigliamento	0.59%
	Hotel, ristoranti e tempo libero	0.49%
	Media	0.16%
Sanita	Prodotti farmaceutici	2.38%
	Fornitori e servizi sanitari	15.58%
	Attrezzature e forniture sanitarie	1.43%
	Strumenti e servizi per le scienze biologiche	0.27%
Servizi di comunicazione	Media	2.47%
	Servizi di telecomunicazione wireless	2.13%
Servizi di pubblica utilità	Servizi di pubblica utilità vari	3.15%
	Servizi di pubblica utilità in ambito elettrico	3.00%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati,

non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti. Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- fatturato: quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- spase in conto capitale (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

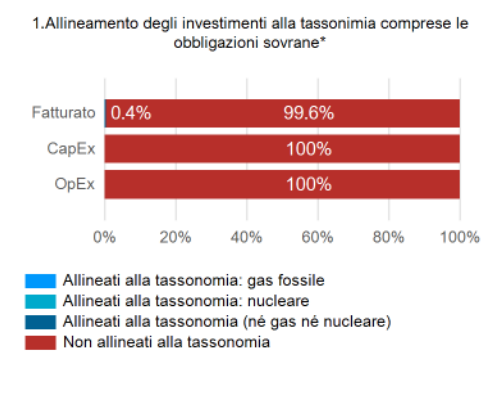
In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

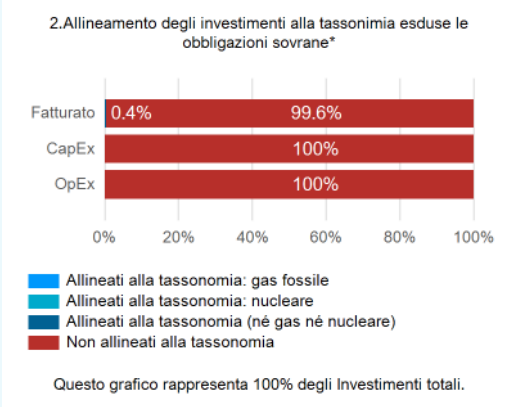
Il comparto ha effettuato almeno il 0.2% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (0.2%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

☐ Si
☐ Gas fossile ☐ Energia nucleare
☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0%; Attività transizionali: 0.29%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 20.63% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 27.06% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Asian Special Situations Fund

Identificativo della persona giuridica:
5493001KQKB7F558TV86

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 43.8% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 91.48% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 43.8% del comparto in investimenti sostenibili; e
iv) 31.78% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 43.8% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Taiwan Semiconductor Manufacturing	Informatica	9.07%	Area di Taiwan
Samsung Electronics	Informatica	7.31%	Corea
AIA Group	Finanziari	6.88%	Hong Kong SAR Cina
Tencent Holdings	Informatica	5.47%	Cina
HDFC Bank	Finanziari	4.66%	India
Alibaba Group Holding (CN)	Prodotti voluttuari	3.73%	Cina
Meituan (B)	Prodotti voluttuari	3.05%	Cina
Bank Central Asia	Finanziari	2.75%	Indonesia
Infosys	Informatica	2.53%	India
Axis Bank	Finanziari	2.43%	India
ICICI Bank	Finanziari	2.38%	India
United Overseas Bank (L)	Finanziari	2.12%	Singapore
Fidelity ILF - The US Dollar Fund - A-ACC-USD	Fondo di tipo aperto	2.12%	Irlanda
Hong Kong Exchanges and Clearing	Finanziari	2.05%	Hong Kong SAR Cina
JD.com (A)	Prodotti voluttuari	1.99%	Cina

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

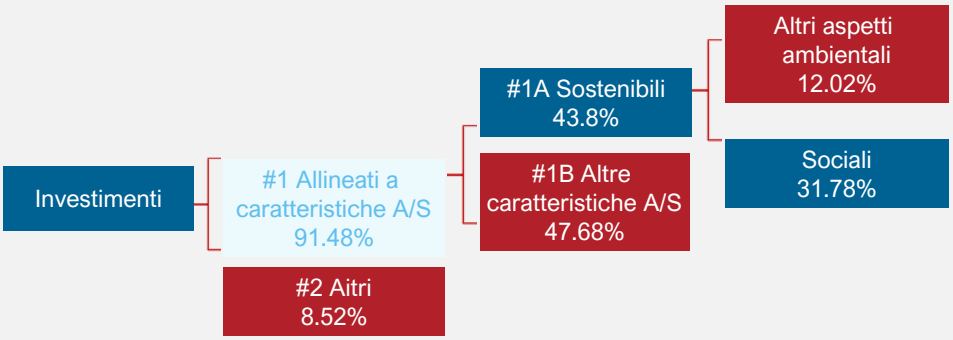
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 43.8% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 91.48% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 43.8% in investimenti sostenibili (#1A sostenibili)* di cui il 0% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 12.02% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 31.78% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Bevande	2.12%
	Prodotti alimentari	2.09%
	Vendita al dettaglio di alimenti e prodotti di base	1.13%
Energia	Petrolio, gas e combustibili consumabili	0.36%
Finanziari	Assicurazione	9.25%
	Servizi finanziari diversificati	3.11%
	Banche commerciali	19.04%
	Banche e mutui ipotecari	0.59%
	Finanza al consumo	0.50%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.12%
Immobiliare	Immobiliare	0.47%
	Azioni - Azioni ordinarie - Gestione e sviluppo immobiliare - Immobiliare	0.16%
Industriali	Macchinari	1.25%
	Apparecchiature elettriche	1.03%
	Strade e ferrovie	0.45%
	Trasporto aereo e corrieri	0.25%
Informatica	Computer e periferiche	8.05%
	Software e servizi Internet	6.84%
	Servizi IT	2.53%
	Apparecchiature e prodotti per semiconduttori	12.85%
Materiali	Prodotti chimici	1.17%
	Materiali da costruzione	0.67%
Prodotti voluttuari	Internet e retail a catalogo	6.95%
	Hotel, ristoranti e tempo libero	3.44%
	Automobili	3.41%
	Tessile e abbigliamento	1.83%
	Media	1.47%
	Vendita al dettaglio multilinea	1.36%
	Beni durevoli per uso domestico	0.71%
	Vendita al dettaglio specializzata	0.60%
	Attrezzature e prodotti per il tempo libero	0.49%
Sanita	Strumenti e servizi per le scienze biologiche	0.99%
	Biotecnologia	0.64%
	Prodotti farmaceutici	0.44%
	Attrezzature e forniture sanitarie	0.27%
	Tecnologia sanitaria	0.08%
Servizi di comunicazione	Servizi di telecomunicazione wireless	0.94%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	0.21%
Titoli indicizzati ad azioni	Titoli indicizzati ad azioni	0.01%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- fatturato: quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- spase in conto capitale (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

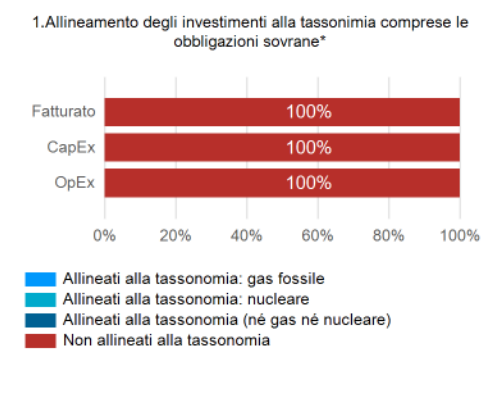
Il comparto ha effettuato almeno il 0% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE.
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

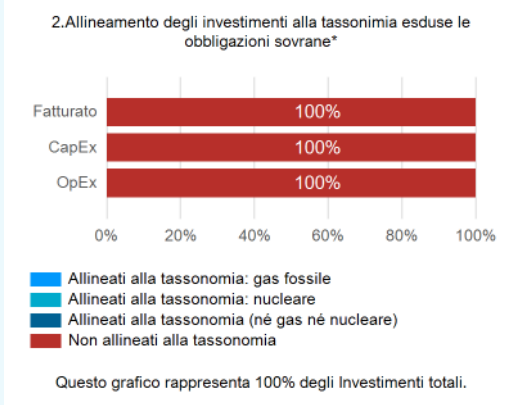
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

☐ Si
- ☐ Gas fossile
- ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 12.02% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 31.78% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - China Consumer Fund

Identificativo della persona giuridica:
5493007PTUTOK6CJU119

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si

☒ No

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 21.26% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 82.8% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 21.26% del comparto in investimenti sostenibili; e
iv) 18.11% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 21.26% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Tencent Holdings	Informatica	9.64%	Cina
Alibaba Group Holding (CN)	Prodotti voluttuari	7.99%	Cina
Kweichow Moutai (A)	Beni di prima necessità	5.18%	Cina
Meituan (B)	Prodotti voluttuari	5.17%	Cina
AIA Group	Finanziari	5.07%	Hong Kong SAR Cina
Ping An Insurance Group (H)	Finanziari	4.49%	Cina
China Mengniu Dairy	Beni di prima necessità	4.45%	Hong Kong SAR Cina
Galaxy Entertainment Group	Prodotti voluttuari	3.39%	Hong Kong SAR Cina
JD.com (A)	Prodotti voluttuari	3.20%	Cina
Shenzhou International Group Holdings	Prodotti voluttuari	2.98%	Cina
Hong Kong Exchanges and Clearing	Finanziari	2.80%	Hong Kong SAR Cina
Trip.com Group ADR	Prodotti voluttuari	2.72%	Cina
Li Ning	Prodotti voluttuari	1.79%	Cina
Budweiser Brewing Co APAC	Beni di prima necessità	1.74%	Hong Kong SAR Cina
NetEase	Prodotti voluttuari	1.41%	Cina

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

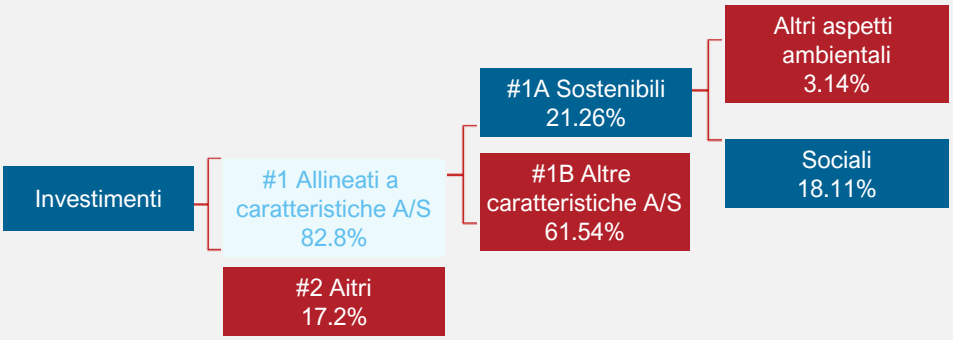
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 21.26% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 82.8% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 21.26% in investimenti sostenibili (#1A sostenibili)* di cui il 0% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 3.14% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 18.11% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Bevande	9.17%
	Prodotti alimentari	6.41%
	Prodotti per la cura della persona	1.17%
Energia	Petrolio, gas e combustibili consumabili	0.36%
Finanziari	Assicurazione	9.55%
	Servizi finanziari diversificati	2.80%
Industriali	Macchinari	2.55%
	Servizi e forniture commerciali	0.66%
	Servizi professionali	0.19%
Informatica	Software e servizi Internet	12.46%
	Strumenti e componenti per apparecchiature elettroniche	0.44%
	Software	0.06%
Materiali	Prodotti chimici	0.86%
	Carta e prodotti forestali	0.62%
Prodotti voluttuari	Hotel, ristoranti e tempo libero	8.42%
	Tessile e abbigliamento	5.70%
	Media	3.08%
	Vendita al dettaglio multilinea	3.00%
	Vendita al dettaglio specializzata	2.48%
	Internet e retail a catalogo	14.63%
	Automobili	1.10%
	Beni durevoli per uso domestico	0.81%
	Attrezzature e prodotti per il tempo libero	0.10%
Sanita	Prodotti farmaceutici	1.61%
	Biotecnologia	1.21%
	Attrezzature e forniture sanitarie	0.89%
	Strumenti e servizi per le scienze biologiche	0.25%
	Fornitori e servizi sanitari	0.21%
	Tecnologia sanitaria	0.05%
Servizi di comunicazione	Media	0.19%
Titoli indicizzati ad azioni	Titoli indicizzati ad azioni	4.54%
	Prodotti chimici	0.35%
	Media	0.08%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.



In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

Il comparto ha effettuato almeno il 0% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE.
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

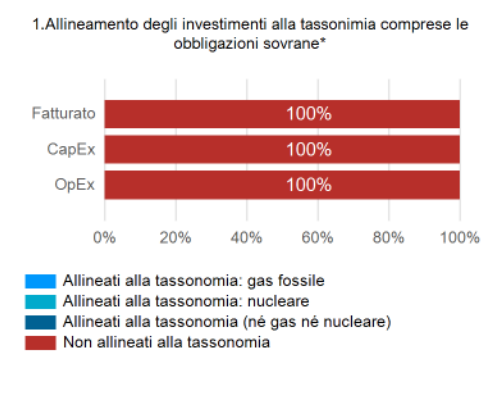
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

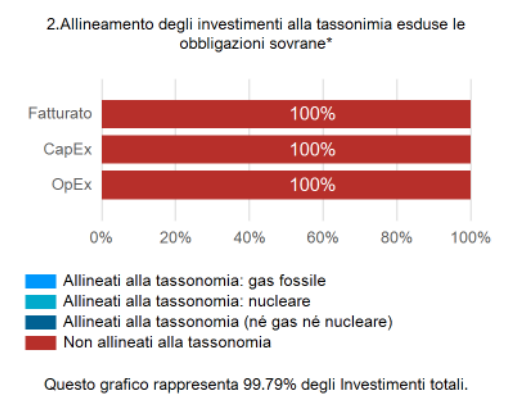
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 3.14% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 18.11% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Euro Short Term Bond Fund

Identificativo della persona giuridica:
3NMLOFBNMWJ7JPIH6S89

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 14.59% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 92.57% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 14.59% del comparto in investimenti sostenibili; e
iv) 4.37% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 14.59% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Germany 0.00% 15/12/2023	Governativi	6.05%	Germania
Germany 10/03/2023	Governativi	5.72%	Germania
USTN 2.625% 31/05/2027	Governativi	3.73%	Stati Uniti d'America
AIB Group 2.25% VRN 04/04/2028 EMTN	Finanziari	2.86%	Irlanda
Fidelity ILF - The Euro Fund - A-ACC-EUR	Fondo di tipo aperto	2.69%	Irlanda
Cooperatieve Rabobk 0.375% VRN 01/12/2027 GMTN	Finanziari	2.64%	Paesi Bassi
Banco de Sabadell 2.625% VRN 24/03/2026 EMTN	Finanziari	2.45%	Spagna
BASF 0.75% 17/03/2026 EMTN	Materiali	2.25%	Germania
Celanese US Holdings 4.777% 19/07/2026	Materiali	2.06%	Stati Uniti d'America
Bank of America 1.949% VRN 27/10/2026 EMTN	Finanziari	1.97%	Stati Uniti d'America
ABN AMRO Bank 2.375% 01/06/2027 EMTN	Finanziari	1.94%	Paesi Bassi
Germany 0.81% 15/12/2022	Governativi	1.92%	Germania
Segro Capital Sarl 1.25% 23/03/2026 EMTN	Immobiliare	1.91%	Lussemburgo
Barclays 0.877% VRN 28/01/2028	Finanziari	1.86%	Regno Unito
Credit Suisse Group 3.25% VRN 02/04/2026 EMTN	Finanziari	1.84%	Svizzera

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

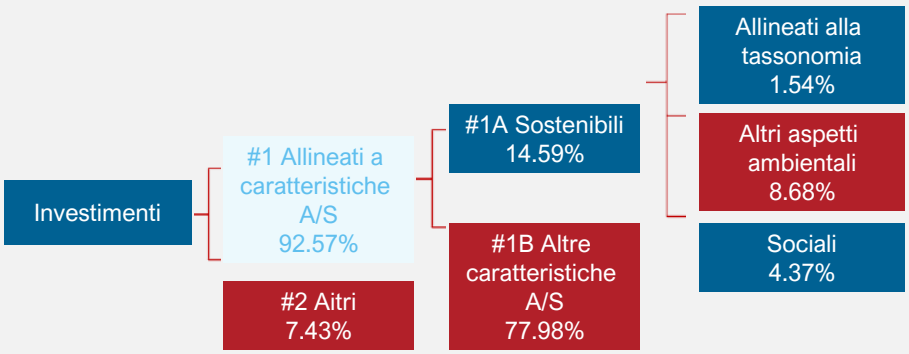
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 14.59% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 92.57% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 14.59% in investimenti sostenibili (#1A sostenibili)* di cui il 1.54% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 8.68% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 4.37% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti alimentari	1.51%
	Vendita al dettaglio di alimenti e prodotti di base	0.83%
	Prodotti per la cura della persona	0.53%
Energia	Attrezzature e servizi energetici	1.79%
	Petrolio, gas e combustibili consumabili	1.21%
Finanziari	Mercati dei capitali	4.93%
	Servizi finanziari diversificati	4.48%
	Banche commerciali	33.93%
	Assicurazione	0.64%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.69%
Governativi	Governativi	17.42%
Immobiliare	Immobiliare	4.39%
	Reddito fisso - Obbligazioni societarie - Gestione e sviluppo immobiliare - Retail	1.21%
	Real Estate Investment Trust (REIT)	0.81%
Industriali	Macchinari	0.75%
	Strade e ferrovie	0.10%
Materiali	Prodotti chimici	7.72%
	Materiali da costruzione	1.56%
Prodotti voluttuari	Automobili	1.28%
Sanita	Attrezzature e forniture sanitarie	1.27%
	Prodotti farmaceutici	0.61%
Servizi di comunicazione	Servizi di telecomunicazione diversificati	0.82%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	3.95%
	Produttori indipendenti di energia e commercianti di energia	0.51%
	Servizi di pubblica utilità in ambito idrico	0.46%
	Servizi di pubblica utilità vari	0.43%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 1.54% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (1.54%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

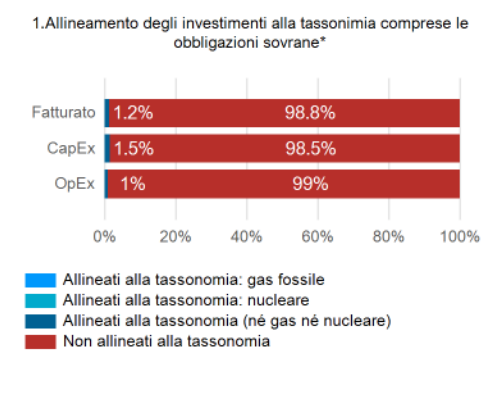
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

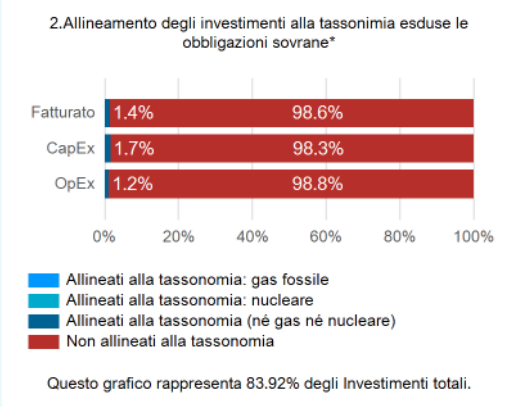
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0.51%; Attività transizionali: 0.02%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 8.68% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 4.37% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Flexible Bond Fund

Identificativo della persona giuridica:
Y5GJXJ4DKJON310L3I87

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 11.92% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 85.03% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 11.92% del comparto in investimenti sostenibili; e
iv) 4.56% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 11.92% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Japan -0.15% 25/11/2022	Governativi	2.97%	Giappone
US Treasury 2.375% 15/11/2049	Governativi	2.74%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.875% 15/01/2029	Governativi	2.60%	Stati Uniti d'America
KfW 0.00% 15/06/2026 EMTN	Finanziari	2.25%	Germania
US Treasury Infl. Indexed Bonds 0.75% 15/07/2028	Governativi	1.94%	Stati Uniti d'America
Fidelity ILF - The Sterling Fund - A-ACC-GBP	Fondo di tipo aperto	1.64%	Irlanda
UK Treasury 0.75% 22/07/2023	Governativi	1.54%	Regno Unito
KFW 1.125% 04/07/2025 EMTN	Finanziari	1.47%	Germania
UK Treasury 6.00% 07/12/2028	Governativi	1.06%	Regno Unito
Bank Nova Scotia 1.375% 05/12/2023 EMTN	Finanziari	0.95%	Canada
US Treasury 3.77% 29/12/2022	Governativi	0.87%	Stati Uniti d'America
New Zealand 3.50% 14/04/2033	Governativi	0.69%	Nuova Zelanda
US Treasury Bill 16/03/2023	Governativi	0.62%	Stati Uniti d'America
Abu Dhabi National Oil Co 0.70% 04/06/2024	Energia	0.62%	Emirati Arabi Uniti
Sinochem Offshore Capital 0.75% 25/11/2025 EMTN	Materiali	0.59%	Isole Vergini (Britanniche)
DNB Bank 1.375% 12/06/2023	Finanziari	0.59%	Norvegia

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

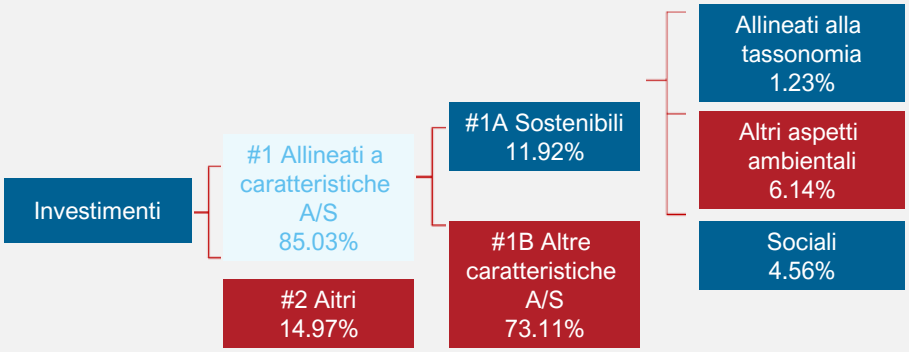
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 11.92% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 85.03% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 11.92% in investimenti sostenibili (#1A sostenibili)* di cui il 1.23% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 6.14% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 4.56% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Vendita al dettaglio di alimenti e prodotti di base	0.70%
	Prodotti alimentari	0.31%
	Bevande	0.30%
Energia	Petrolio, gas e combustibili consumabili	4.31%
	Attrezzature e servizi energetici	0.47%
Finanziari	Servizi finanziari diversificati	8.40%
	Assicurazione	3.48%
	Banche commerciali	11.96%
	Banche e mutui ipotecari	1.25%
	Mercati dei capitali	0.86%
	Finanza al consumo	0.85%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	1.64%
Governativi	Governativi	26.14%
	Obbligazioni societarie	0.41%
	Obbligazioni	0.11%
Immobiliare	Immobiliare	2.84%
	Reddito fisso - Obbligazioni societarie - Gestione e sviluppo immobiliare	0.75%
	Real Estate Investment Trust (REIT)	0.39%

Immobiliare	Gestione e sviluppo immobiliare	0.25%
	Azioni - Titoli convertibili - Gestione e sviluppo immobiliare - Immobiliare	0.10%
	Reddito fisso - Obbligazioni societarie - Immobiliare - Industriali	0.09%
	Reddito fisso - Obbligazioni societarie - Immobiliare - Retail	0.08%
	Reddito fisso - Obbligazioni societarie - Immobiliare - Sanità	0.07%
Industriali	Servizi e forniture commerciali	1.79%
	Infrastrutture di trasporto	1.18%
	Compagnie aeree	0.61%
	Edilizia e ingegneria	0.46%
	Società commerciali e distributori	0.45%
	Marina	0.35%
	Aerospaziale e difesa	0.26%
	Strade e ferrovie	0.18%
	Apparecchiature elettriche	0.07%
	Trasporto aereo e corrieri	0.04%
Informatica	Servizi IT	0.76%
	Apparecchiature e prodotti per semiconduttori	0.71%
	Computer e periferiche	0.36%
	Software	0.35%
	Apparecchiature di comunicazione	0.30%
	Strumenti e componenti per apparecchiature elettroniche	0.21%
	Software e servizi Internet	0.17%
Materiali	Prodotti chimici	2.15%
	Metallurgia e miniere	1.33%
	Contenitori e imballaggi	0.51%
	Rame	0.11%
Prodotti voluttuari	Hotel, ristoranti e tempo libero	2.00%
	Media	1.58%
	Automobili	1.07%
	Beni durevoli per uso domestico	0.90%
	Internet e retail a catalogo	0.68%
	Servizi al consumo diversificati	0.67%
	Componenti per auto	0.57%
	Vendita al dettaglio multilinea	0.41%
	Vendita al dettaglio specializzata	0.39%
	Tessile e abbigliamento	0.04%
Sanita	Prodotti farmaceutici	0.77%
	Fornitori e servizi sanitari	0.49%
	Attrezzature e forniture sanitarie	0.35%
	Biotecnologia	0.26%

Servizi di comunicazione	Servizi di telecomunicazione diversificati	2.15%
	Servizi di telecomunicazione wireless	0.62%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	5.05%
	Produttori indipendenti di energia e commercianti di energia	0.83%
	Servizi di pubblica utilità in ambito idrico	0.67%
	Servizi di pubblica utilità in ambito gas	0.29%
	Servizi di pubblica utilità vari	0.24%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti. Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 1.23% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (1.23%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

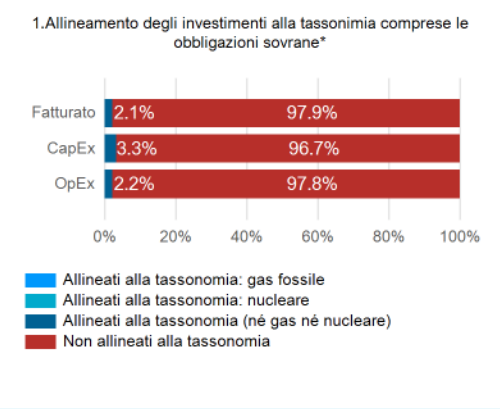
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

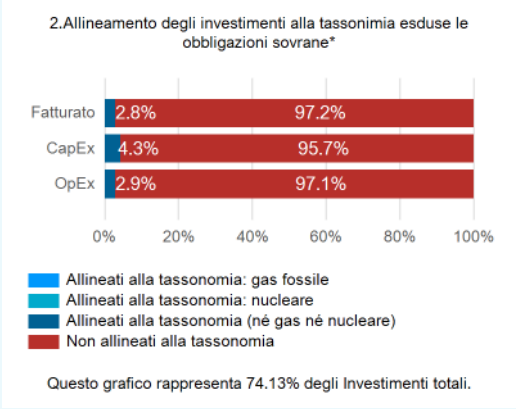
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- fatturato: quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- spase in conto capitale (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 1.52%; Attività transizionali: 0.08%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.



sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 6.14% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.



Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 4.56% di investimenti sostenibili con un obiettivo sociale .



Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Sustainable Global Dividend Plus Fund

Identificativo della persona giuridica:
549300OZL7XSDZJCL571

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 65.31% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Fidelity INTERNATIONAL

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 85.1% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 65.31% del comparto in investimenti sostenibili; e
iv) 35.91% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 65.31% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Sanofi	Sanità	4.12%	Francia
Roche Holding	Sanità	3.43%	Svizzera
Unilever	Beni di prima necessità	3.33%	Regno Unito
Deutsche Boerse	Finanziari	3.26%	Germania
3i Group	Finanziari	2.90%	Regno Unito
Allianz	Finanziari	2.80%	Germania
Fidelity ILF - The Euro Fund - A-ACC-EUR	Fondo di tipo aperto	2.80%	Irlanda
Iberdrola	Servizi di pubblica utilità	2.77%	Spagna
Samsung Electronics	Informatica	2.72%	Corea
Procter & Gamble	Beni di prima necessità	2.68%	Stati Uniti d'America
RELX (NL)	Industriali	2.49%	Regno Unito
Ferrovial	Industriali	2.45%	Spagna
UPM-Kymmene	Materiali	2.44%	Finlandia
Zurich Insurance Group	Finanziari	2.42%	Svizzera
Bristol-Myers Squibb	Sanità	2.40%	Stati Uniti d'America

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

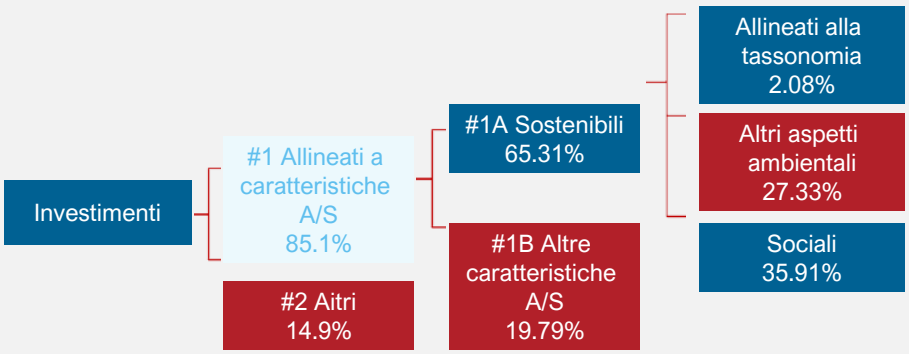
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 65.31% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 85.1% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 65.31% in investimenti sostenibili (#1A sostenibili)* di cui il 2.08% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 27.33% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 35.91% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti per la casa	5.02%
	Prodotti per la cura della persona	4.84%
	Prodotti alimentari	2.33%
Finanziari	Assicurazione	13.53%
	Servizi finanziari diversificati	12.14%
	Banche commerciali	0.27%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.80%
Immobiliare	Immobiliare	1.42%
	Azioni - Azioni ordinarie - Gestione e sviluppo immobiliare - Immobiliare	0.36%
Industriali	Apparecchiature elettriche	2.88%
	Servizi professionali	2.49%
	Edilizia e ingegneria	2.45%
	Conglomerati industriali	1.65%
	Macchinari	0.72%
Informatica	Apparecchiature e prodotti per semiconduttori	4.64%
	Computer e periferiche	4.51%
Materiali	Carta e prodotti forestali	2.44%
	Contenitori e imballaggi	1.12%
Prodotti voluttuari	Componenti per auto	3.40%
	Attrezzature e prodotti per il tempo libero	0.85%
	Media	0.69%
	Vendita al dettaglio specializzata	0.26%
Sanita	Prodotti farmaceutici	13.07%
	Biotecnologia	1.97%
Servizi di comunicazione	Servizi di telecomunicazione diversificati	5.37%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	6.01%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 2.08% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (2.08%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti. Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

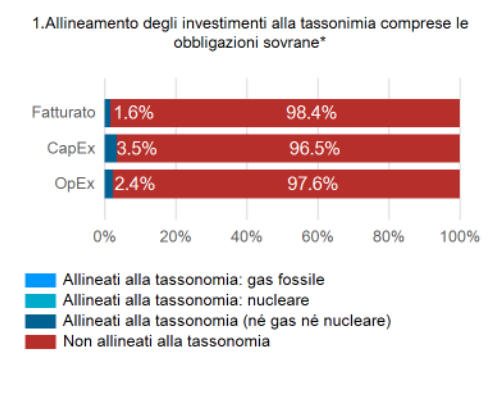
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

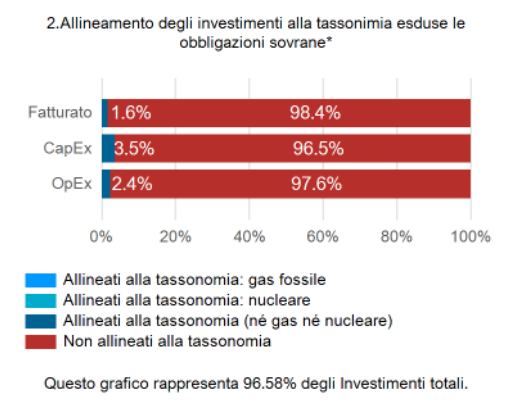
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 1.25%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 27.33% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 35.91% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Global Financial Services Fund

Identificativo della persona giuridica:
549300HO6N0F2KYZFZ92

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 29.94% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 77.83% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 29.94% del comparto in investimenti sostenibili; e
iv) 24.7% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 29.94% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
JPMorgan Chase	Finanziari	5.61%	Stati Uniti d'America
Berkshire Hathaway (B)	Finanziari	4.88%	Stati Uniti d'America
Bank of America	Finanziari	4.08%	Stati Uniti d'America
Wells Fargo	Finanziari	3.94%	Stati Uniti d'America
Arthur J Gallagher	Finanziari	3.37%	Stati Uniti d'America
Charles Schwab	Finanziari	3.16%	Stati Uniti d'America
Morgan Stanley	Finanziari	3.14%	Stati Uniti d'America
LPL Financial Holdings	Finanziari	2.54%	Stati Uniti d'America
AIA Group	Finanziari	2.53%	Hong Kong SAR Cina
Arch Capital Group	Finanziari	2.52%	Bermuda
Fidelity ILF - The Euro Fund - A-ACC-EUR	Fondo di tipo aperto	2.46%	Irlanda
Everest Re Group	Finanziari	2.17%	Bermuda
Barclays	Finanziari	2.03%	Regno Unito
Julius Baer Group	Finanziari	2.00%	Svizzera
W R Berkley	Finanziari	1.84%	Stati Uniti d'America

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

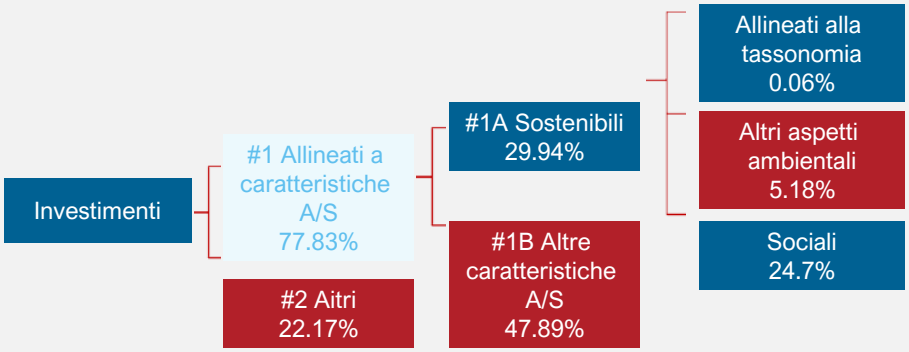
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 29.94% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 77.83% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 29.94% in investimenti sostenibili (#1A sostenibili)* di cui il 0.06% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 5.18% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 24.7% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Finanziari	Banche commerciali	36.96%
	Servizi finanziari diversificati	31.05%
	Assicurazione	20.85%
	Finanza al consumo	1.09%
	Mercati dei capitali	0.32%
	Banche e mutui ipotecari	0.23%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.46%
Informatica	Servizi IT	4.75%
	Software	0.85%
Prodotti voluttuari	Internet e retail a catalogo	1.18%
	Vendita al dettaglio multilinea	0.47%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 0.06% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito alla mitigazione dei cambiamenti climatici (0.06%) obiettivo ambientale della Tassonomia UE.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

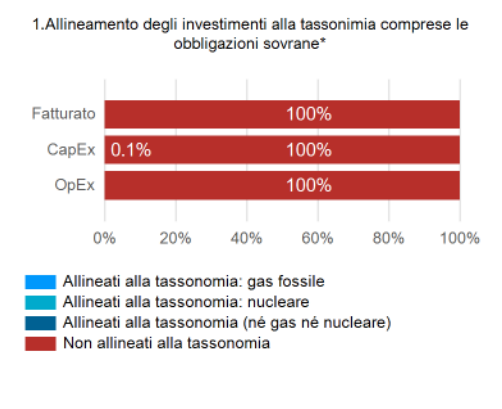
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

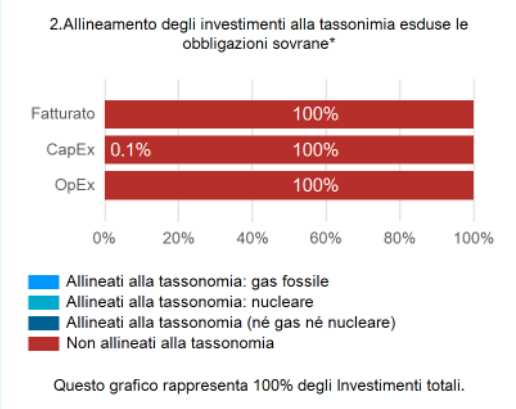
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

☐ Si
- ☐ Gas fossile
- ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 5.18% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 24.7% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Global Inflation-linked Bond Fund

Identificativo della persona giuridica:
78VTRQN40UWE9NYCJW22

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)__% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Fidelity INTERNATIONAL

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 99.05% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 0% del comparto in investimenti sostenibili; e
iv) 0% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 0% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale.
Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò non ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
US Treasury Infl. Indexed Bonds 0.125% 15/10/2026	Governativi	7.17%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.75% 15/07/2028	Governativi	6.54%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.125% 15/04/2027	Governativi	4.94%	Stati Uniti d'America
UK Treasury Inflation Linked 0.125% 22/03/2024	Governativi	4.51%	Regno Unito
US Treasury Infl. Indexed Bonds 0.875% 15/01/2029	Governativi	4.11%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.375% 15/07/2027	Governativi	3.97%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.625% 15/07/2032	Governativi	3.89%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.125% 15/10/2025	Governativi	3.85%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.125% 15/07/2030	Governativi	3.78%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.125% 15/07/2031	Governativi	3.59%	Stati Uniti d'America
US Treasury Infl. Indexed Bonds 0.25% 15/07/2029	Governativi	3.40%	Stati Uniti d'America
Italy 2.35% 15/09/2024	Governativi	3.23%	Italia
US Treasury Infl. Indexed Bonds 0.125% 15/07/2026	Governativi	3.14%	Stati Uniti d'America
Buoni Poliennali Del Tesoro 0.40% 15/05/2030	Governativi	2.51%	Italia
France 0.10% 01/03/2026	Governativi	2.39%	Francia

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

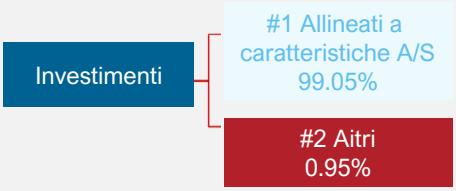
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 0% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 99.05% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 0% in investimenti sostenibili (#1A sostenibili)* di cui il 0% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 0% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 0% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Fondo di tipo aperto	Fondo monetario di tipo chiuso	1.96%
Governativi	Governativi	97.61%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 0% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE.
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

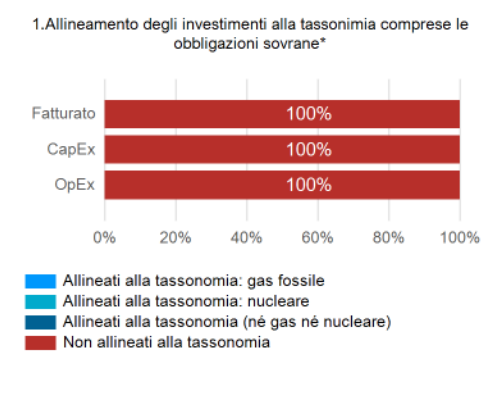
☐ Si
- ☐ Gas fossile
- ☐ Energia nucleare

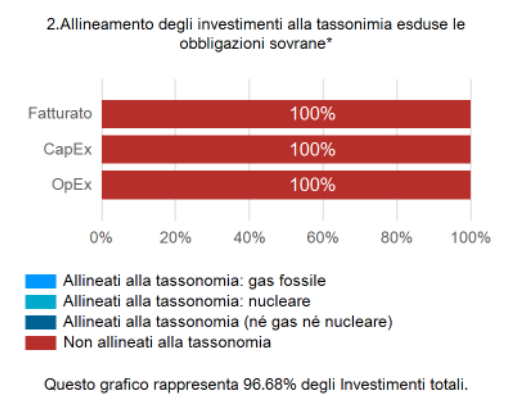
☒ No

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 0% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 0% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Fidelity INTERNATIONAL

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
3. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Iberia Fund

Identificativo della persona giuridica:
549300C6GMKNSN647A81

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 55.6% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito agli obiettivi ambientali della Tassonomia UE in materia di mitigazione dei cambiamenti climatici e di adattamento ai cambiamenti climatici.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 88.83% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 55.6% del comparto in investimenti sostenibili; e
iv) 16.96% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 55.6% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Amadeus IT Group	Prodotti voluttuari	9.46%	Spagna
Industria de Diseno Textil	Prodotti voluttuari	9.42%	Spagna
Iberdrola	Servizi di pubblica utilità	9.24%	Spagna
Bankinter	Finanziari	5.33%	Spagna
Applus Services	Industriali	4.55%	Spagna
Jeronimo Martins	Beni di prima necessità	4.42%	Portogallo
Grupo Catalana Occidente	Finanziari	4.12%	Spagna
Indra Sistemas	Informatica	3.97%	Spagna
Ferrovial	Industriali	3.90%	Spagna
Cia de Distribucion Integral Logista Holdings	Industriali	3.75%	Spagna
Vidrala (BR)	Materiali	3.38%	Spagna
Acciona Energias Renovables	Servizi di pubblica utilità	3.38%	Spagna
CIE Automotive	Prodotti voluttuari	3.33%	Spagna
Cellnex Telecom	Servizi di comunicazione	3.24%	Spagna
Laboratorios Farmaceuticos Rovi	Sanità	3.20%	Spagna

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

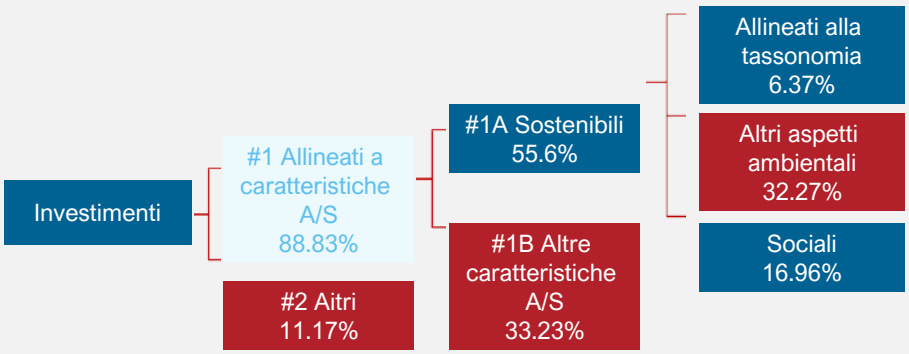
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 55.6% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 88.83% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 55.6% in investimenti sostenibili (#1A sostenibili)* di cui il 6.37% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 32.27% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 16.96% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Vendita al dettaglio di alimenti e prodotti di base	4.42%
	Prodotti alimentari	1.16%
	Prodotti per la cura della persona	0.52%
Finanziari	Banche commerciali	6.21%
	Assicurazione	5.54%
	Servizi finanziari diversificati	1.03%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	1.05%
Immobiliare	Real Estate Investment Trust (REIT)	1.96%
	Azioni - Azioni ordinarie - Immobiliare - Reit uffici	0.58%
Industriali	Servizi professionali	6.61%
	Macchinari	3.92%
	Edilizia e ingegneria	3.90%
	Trasporto aereo e corrieri	3.75%
	Infrastrutture di trasporto	1.71%
Informatica	Servizi IT	11.61%
	Apparecchiature e prodotti per semiconduttori	0.98%
	Software	0.67%
Materiali	Contenitori e imballaggi	5.17%
Prodotti voluttuari	Vendita al dettaglio specializzata	9.42%
	Componenti per auto	3.33%
	Hotel, ristoranti e tempo libero	2.38%
	Internet e retail a catalogo	0.25%
Sanita	Prodotti farmaceutici	4.17%
	Biotecnologia	1.07%
Servizi di comunicazione	Servizi di telecomunicazione diversificati	3.24%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	9.71%
	Produttori indipendenti di energia e commercianti di energia	3.38%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 6.37% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (4.16%) e di adattamento ai cambiamenti climatici (2.21%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- fatturato: quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- spase in conto capitale (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

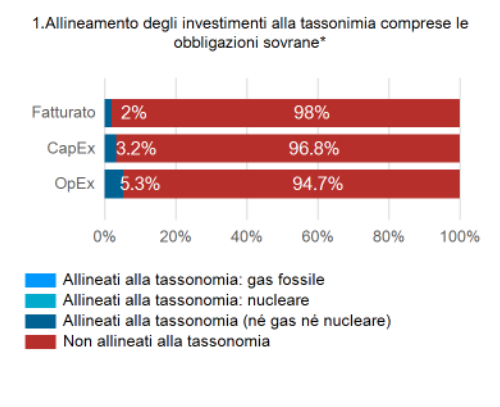
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

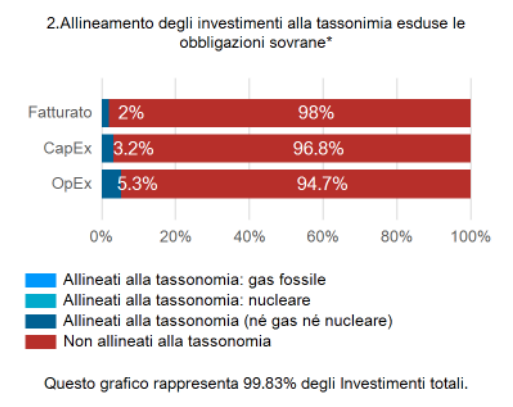
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

☐ Si
- ☐ Gas fossile
- ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0.47%; Attività transizionali: 0.86%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 32.27% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 16.96% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Italy Fund

Identificativo della persona giuridica:
549300KCMWWQDPOVF030

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 28.74% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 78.26% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 28.74% del comparto in investimenti sostenibili; e
iv) 9.37% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 28.74% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
UniCredit	Finanziari	8.47%	Italia
Enel	Servizi di pubblica utilità	8.35%	Italia
STMicroelectronics	Informatica	4.56%	Svizzera
Intesa Sanpaolo	Finanziari	4.23%	Italia
Stellantis	Prodotti voluttuari	3.97%	Paesi Bassi
Ferrari (IT)	Prodotti voluttuari	3.55%	Italia
Iveco Group	Industriali	3.31%	Italia
Moncler	Prodotti voluttuari	3.20%	Italia
Nexi	Finanziari	3.01%	Italia
FinecoBank	Finanziari	2.91%	Italia
Eni	Energia	2.91%	Italia
Brembo	Prodotti voluttuari	2.70%	Italia
De' Longhi	Prodotti voluttuari	2.45%	Italia
Fidelity ILF - The Euro Fund - A-ACC-EUR	Fondo di tipo aperto	2.33%	Irlanda
BFF Bank	Finanziari	2.23%	Italia

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

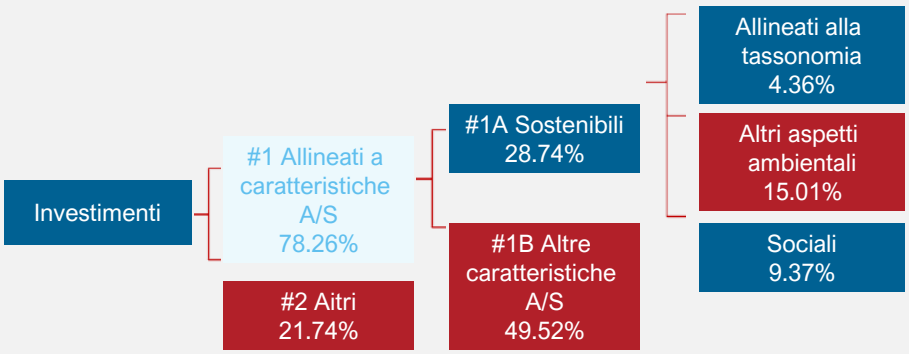
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 28.74% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 78.26% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 28.74% in investimenti sostenibili (#1A sostenibili)* di cui il 4.36% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 15.01% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 9.37% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti per la cura della persona	0.91%
Energia	Petrolio, gas e combustibili consumabili	2.91%
	Attrezzature e servizi energetici	1.19%
Finanziari	Servizi finanziari diversificati	9.33%
	Banche commerciali	18.27%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.33%
Industriali	Macchinari	8.37%
	Infrastrutture di trasporto	3.32%
	Servizi professionali	2.16%
	Aerospaziale e difesa	2.13%
	Conglomerati industriali	1.06%
	Apparecchiature elettriche	0.53%
Informatica	Apparecchiature e prodotti per semiconduttori	4.56%
	Servizi IT	4.39%
	Strumenti e componenti per apparecchiature elettroniche	1.62%
	Software	1.29%
	Computer e periferiche	0.49%
Materiali	Prodotti chimici	0.92%
Prodotti voluttuari	Automobili	7.52%
	Tessile e abbigliamento	4.45%
	Componenti per auto	2.70%
	Beni durevoli per uso domestico	2.45%
Sanita	Attrezzature e forniture sanitarie	1.69%
	Prodotti farmaceutici	1.68%
Servizi di comunicazione	Servizi di telecomunicazione diversificati	1.82%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	8.35%
	Servizi di pubblica utilità vari	2.21%
	Produttori indipendenti di energia e commercianti di energia	1.03%
	Servizi di pubblica utilità in ambito gas	0.65%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 4.36% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (4.36%).

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti. Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

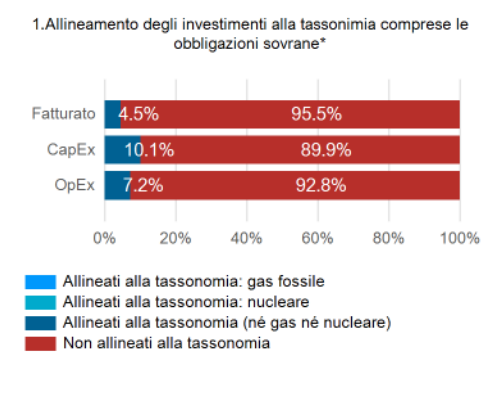
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

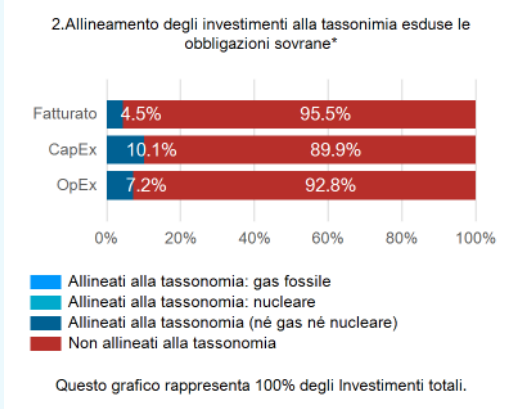
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 3.43%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 15.01% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 9.37% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - World Fund

Identificativo della persona giuridica:
5493001CZJOXQY9N2O82

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 60.97% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 92.74% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 60.97% del comparto in investimenti sostenibili; e
iv) 31.7% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 60.97% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Microsoft	Informatica	4.78%	Stati Uniti d'America
Fidelity ILF - The US Dollar Fund - A-ACC-USD	Fondo di tipo aperto	2.85%	Irlanda
Alphabet (A)	Informatica	2.78%	Stati Uniti d'America
UnitedHealth Group	Sanità	2.27%	Stati Uniti d'America
Canadian Pacific Kansas City	Industriali	2.05%	Canada
JPMorgan Chase	Finanziari	2.05%	Stati Uniti d'America
Amazon.com	Prodotti voluttuari	1.98%	Stati Uniti d'America
MasterCard	Finanziari	1.93%	Stati Uniti d'America
HCA Healthcare	Sanità	1.91%	Stati Uniti d'America
AmerisourceBergen	Sanità	1.86%	Stati Uniti d'America
IQVIA Holdings	Sanità	1.67%	Stati Uniti d'America
Apple	Informatica	1.62%	Stati Uniti d'America
Johnson & Johnson	Sanità	1.51%	Stati Uniti d'America
TDK	Informatica	1.48%	Giappone
Cigna Group	Sanità	1.45%	Stati Uniti d'America

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

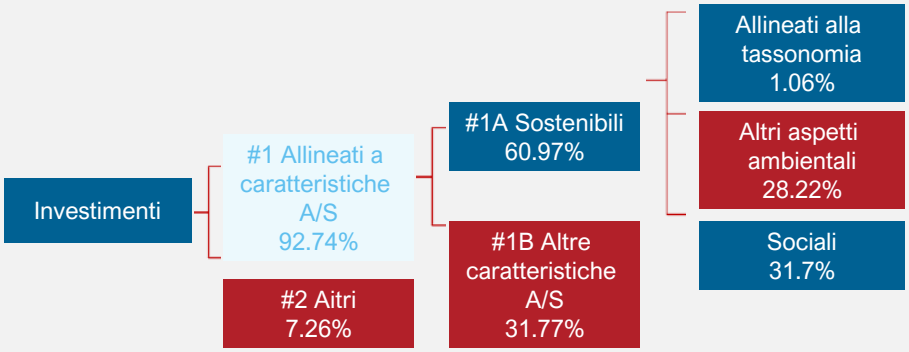
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 60.97% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 92.74% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 60.97% in investimenti sostenibili (#1A sostenibili)* di cui il 1.06% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 28.22% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 31.7% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Prodotti alimentari	1.66%
	Prodotti per la cura della persona	0.77%
	Vendita al dettaglio di alimenti e prodotti di base	0.37%
Energia	Petrolio, gas e combustibili consumabili	2.01%
	Attrezzature e servizi energetici	1.42%
Finanziari	Servizi finanziari diversificati	7.18%
	Assicurazione	5.01%
	Banche commerciali	4.96%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	2.85%
Immobiliare	Immobiliare	0.49%
	Azioni - Azioni ordinarie - Gestione e sviluppo immobiliare - Immobiliare	0.09%
Industriali	Strade e ferrovie	3.71%
	Macchinari	2.23%
	Conglomerati industriali	1.78%
	Edilizia e ingegneria	1.34%
	Società commerciali e distributori	1.25%
	Servizi professionali	0.75%
	Apparecchiature elettriche	0.45%

Industriali	Compagnie aeree	0.23%
	Prodotti per l'edilizia	0.13%
Informatica	Software	8.09%
	Servizi IT	3.75%
	Apparecchiature e prodotti per semiconduttori	3.37%
	Strumenti e componenti per apparecchiature elettroniche	3.06%
	Software e servizi Internet	2.90%
	Computer e periferiche	2.68%
	Apparecchiature di comunicazione	0.78%
Materiali	Prodotti chimici	1.36%
	Materiali da costruzione	0.48%
Prodotti voluttuari	Beni durevoli per uso domestico	2.16%
	Internet e retail a catalogo	2.10%
	Tessile e abbigliamento	1.44%
	Vendita al dettaglio multilinea	1.20%
	Automobili	1.10%
	Hotel, ristoranti e tempo libero	0.70%
	Componenti per auto	0.70%
	Media	0.26%
Sanita	Fornitori e servizi sanitari	8.76%
	Prodotti farmaceutici	4.19%
	Strumenti e servizi per le scienze biologiche	3.16%
	Attrezzature e forniture sanitarie	2.32%
	Biotecnologia	1.04%
Servizi di comunicazione	Servizi di telecomunicazione wireless	0.38%
	Servizi di telecomunicazione diversificati	0.17%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	2.56%
	Servizi di pubblica utilità vari	1.98%
	Produttori indipendenti di energia e commercianti di energia	0.55%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il comparto ha effettuato almeno il 1.06% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (1.06%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- **fatturato:** quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- **spase in conto capitale** (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

fatturato.

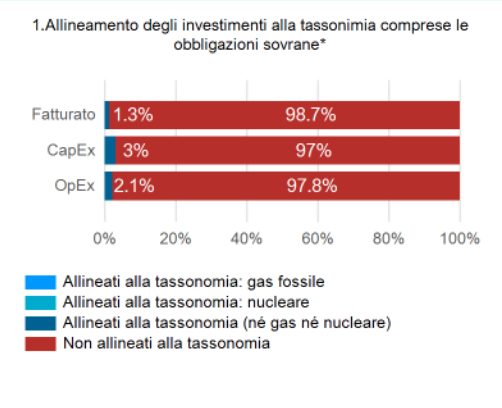
Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

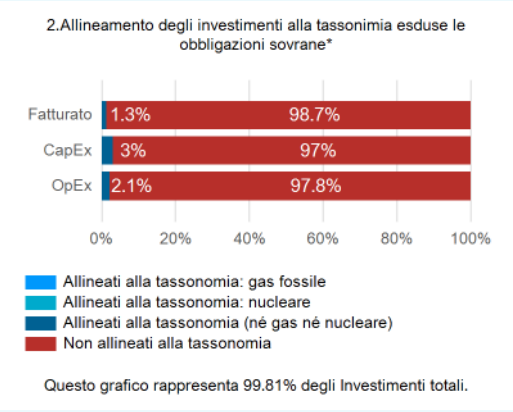
☐ Si

☐ Gas fossile ☐ Energia nucleare

☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0.32%; Attività transizionali: 0%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 28.22% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 31.7% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto:
Fidelity Funds - Global Short Duration Income Fund

Identificativo della persona giuridica:
549300DE58GK4SNQH841

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si

☒ No

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) 13.3% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ In attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'Impresa beneficiaria degli investimenti rispetti prassi di buona governance

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia.



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il comparto ha soddisfatto le caratteristiche socioambientali promosse secondo la definizione fornita nell'informativa precontrattuale SFDR per il periodo. Il comparto ha promosso caratteristiche socioambientali investendo in titoli di emittenti con caratteristiche ESG favorevoli. Le caratteristiche ESG favorevoli sono state determinate in riferimento ai rating ESG, che hanno tenuto conto di caratteristiche ambientali quali l'intensità carbonica, le emissioni di anidride carbonica, il risparmio energetico, la gestione delle acque e dei rifiuti e la biodiversità, oltre che di caratteristiche sociali quali la sicurezza dei prodotti, la catena di fornitura, la salute e la sicurezza e i diritti umani.

Non sono stati designati benchmark di riferimento per poter conseguire le caratteristiche socioambientali promosse.
Quando il comparto ha effettuato investimenti sostenibili con obiettivi ambientali ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici
Quando il comparto ha effettuato investimenti sostenibili con obiettivi sociali ha contribuito al conseguimento degli obiettivi di sviluppo sostenibile incentrati sull'aspetto sociale, come spiegato nella seguente risposta sugli obiettivi d'investimento sostenibili.
I dati sugli investimenti sostenibili contenuti nella presente informativa periodica rappresentano una media dei dati al 31 dicembre 2022 e al 31 marzo 2023.

Qual è stata la prestazione degli indicatori di sostenibilità?

La performance degli indicatori di sostenibilità utilizzati dal comparto per misurare il raggiungimento delle caratteristiche socioambientali che ha promosso è stata:

i) 71.83% del comparto è stato investito in titoli di emittenti con caratteristiche ESG favorevoli ai sensi dei criteri d'investimento sostenibile (Sustainable Investing Framework) di Fidelity;
ii) per quanto riguarda i suoi investimenti diretti, lo 0% del comparto è stato investito in titoli di emittenti con esposizione alle Esclusioni;
iii) 13.3% del comparto in investimenti sostenibili; e
iv) 4.21% del comparto in investimenti sostenibili con un obiettivo sociale.

I principali effetti negativi sono gli effetti negativ più significativi delte decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile in quanto si tratta del primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Pur non avendo come obiettivo un investimento sostenibile, aveva una percentuale del 13.3% degli investimenti sostenibili. Gli investimenti sostenibili hanno avuto un obiettivo ambientale e sociale. Il comparto ha definito investimenti sostenibili:
a) emittenti che svolgono attività economiche che contribuiscono a uno o più degli obiettivi ambientali stabiliti nella Tassonomia UE e sono considerate ecosostenibili secondo la Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici; o
(b) emittenti dei quali la maggior parte delle attività commerciali (oltre il 50% dei ricavi) ha contribuito al conseguimento degli obiettivi socioambientali in linea con uno o più obiettivi di sviluppo sostenibile delle Nazioni Unite; o
(c) emittenti che si danno un obiettivo di decarbonizzazione coerente con un'ipotesi di riscaldamento fino a 1,5 gradi (verificato dalla Science Based Target Initiative o da un Fidelity Proprietary Climate Rating) che si ritiene contribuisca agli obiettivi ambientali;
a condizione che non arrechino danni significativi, soddisfino le garanzie minime e i criteri di buona governance.

Gli SDG sono una serie di obiettivi pubblicati dalle Nazioni Unite che riconoscono che porre fine alla povertà e ad altre privazioni deve andare di pari passo con il miglioramento della salute e dell'istruzione, la crescita economica e la riduzione delle disuguaglianze, il tutto affrontando i cambiamenti climatici e impegnandosi a preservare gli oceani e le foreste del pianeta. Per ulteriori informazioni vedere il sito web delle Nazioni Unite. Dal punto di vista ambientale gli SDG concentrano l'attenzione su acqua potabile e i servizi igienici, energia pulita e accessibile, consumo e produzione responsabili e azione per il clima. Dal punto di vista sociale gli SDG concentrano l'attenzione su assenza di povertà, sconfitta della fame, crescita economica e occupazione produttiva, industria, innovazione e infrastrutture, città e comunità sicure e sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Gli investimenti sostenibili sono stati sottoposti a screening per il coinvolgimento in attività che arrecano danni e controversie significativi; la valutazione è avvenuta mediante controllo del soddisfacimento da parte dell'emittente delle garanzie minime e degli standard relativi ai principali effetti avversi (PAI) oltre che della performance in base ai parametri PAI, il che ha comportato: Screening basati sulle norme, vale a dire screening dei titoli individuati nell'ambito degli screening basati sulle norme esistenti di Fidelity (come di seguito indicato); screening basati sulle attività, cioè screening degli emittenti in base alla loro partecipazione ad attività con effetti negativi significativi sulla società o sull'ambiente, compresi gli emittenti che erano considerati avere controversie "molto gravi" sulla base di screening di controversie, che riguardano 1) questioni ambientali, 2) diritti umani e comunità, 3) diritti dei lavoratori e catena di fornitura, 4) clienti, 5) governance; e indicatori PAI, i dati quantitativi (se disponibili) sugli indicatori PAI vengono utilizzati per valutare se un emittente è coinvolto in attività che arrecano danni significativi a eventuali obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Per quanto riguarda gli investimenti sostenibili, come sopra indicato, Fidelity ha effettuato una valutazione quantitativa per individuare gli emittenti con performance problematiche in materia di indicatori PAI e sono stati presi in considerazione tutti gli indicatori obbligatori e quelli eventualmente pertinenti per gli effetti avversi sui fattori di sostenibilità di cui all'Allegato 1 degli standard tecnici di regolamentazione SFDR dell'UE (in presenza di dati disponibili).

Gli emittenti con un punteggio basso non erano idonei a diventare "investimenti sostenibili", a meno che la ricerca dei fondamentali di Fidelity non determinasse che l'emittente non stava violando requisiti finalizzati a "non arrecare un danno significativo" o era sulla buona strada per mitigare gli effetti avversi grazie a una gestione o una transizione efficaci.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Sono stati applicati screening basati su norme: Emittenti individuati non in grado di comportarsi in modo da soddisfare le loro responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e dell'anticorruzione, in linea con le norme internazionali, comprese quelle stabilite dalle Linee guida dell'OCSE per le imprese multinazionali e dai Princìpi guida delle Nazioni Unite su imprese e diritti umani, dal Global Compact delle Nazioni Unite (UNGC), dalle norme dell'Organizzazione internazionale del lavoro (OIL), dalle Convenzioni dell'OIL, non erano considerati investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante del presente prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti avversi sui fattori di sostenibilità sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso una serie di strumenti, tra cui:
(i) Due Diligence: analisi dei principali effetti avversi per verificare se sono stati sostanziali e negativi.
(ii) Rating ESG: Fidelity fa riferimento ai rating ESG che tengono conto dei principali effetti avversi sostanziali come emissioni di carbonio, sicurezza dei dipendenti, tangenti e corruzione, gestione delle risorse idriche. Per quanto riguarda i titoli emessi da enti sovrani, i principali effetti avversi sono stati presi in considerazione e integrati nelle decisioni d'investimento attraverso rating che tengono conto dei principali effetti avversi sostanziali come emissioni di anidride carbonica, violazioni sociali e libertà di espressione.
(iii) Esclusioni: Abbiamo adottato un approccio agli aspetti ESG basato sui princìpi e, in quest'ottica, inseriamo le società che consideriamo investimenti non idonei in un Elenco di esclusioni, tra cui, senza intento limitativo, quanto segue; un elenco di esclusioni a livello aziendale, che includa armi biologiche, armi chimiche, l'uso di scorte, la produzione e il trasferimento di mine antiuomo, il trattato di non proliferazione delle armi nucleari e le linee guida delle Nazioni Unite, della Banca mondiale e di altre autorità globali che sostengono i principi ESG.
(iv) Impegno: Fidelity ha utilizzato l'impegno come strumento per comprendere meglio i principali effetti avversi sui fattori di sostenibilità e, in alcune circostanze, sostenere il miglioramento dei principali effetti avversi e dei parametri di sostenibilità. Fidelity ha partecipato a iniziative individuali e di collaborazione che tengono conto di tutta una serie di effetti avversi principali (es., Climate Action 100+, Investors Against Slavery and Trafficking APAC).
(v) Voto: La politica di voto di Fidelity comprendeva standard minimi espliciti per quanto riguarda la diversità di genere all'interno dei consigli di amministrazione e per l'impegno nei confronti del cambiamento climatico. Fidelity può anche votare per migliorare la performance degli emittenti sulla base di altri indicatori.
(vi) Revisioni trimestrali: monitoraggio dei principali effetti avversi attraverso il processo di revisione trimestrale del comparto.
Fidelity tiene conto di indicatori specifici per i singoli fattori di sostenibilità quando si tratta di valutare i principali effetti avversi degli investimenti. Questi indicatori sono soggetti alla disponibilità dei dati e possono cambiare con il miglioramento della qualità e della disponibilità degli stessi.
Le esclusioni e gli screening di cui sopra (le "Esclusioni") possono essere aggiornati di volta in volta. Per ulteriori informazioni consultare questo sito: "Criteri di investimento sostenibile" .

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti ehe costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-05-01 / 2023-04-30

Investimenti di maggiore entità	Settore	% di attivi	Paese
Alexander Funding Trust 1.841% 15/11/2023 144A	Servizi di pubblica utilità	1.92%	Stati Uniti d'America
Fidelity ILF - The US Dollar Fund - A-ACC-USD	Fondo di tipo aperto	1.82%	Irlanda
Microchip Tech 4.25% 01/09/2025	Informatica	1.26%	Stati Uniti d'America
Roadster Finance 1.625% 09/12/2024 EMTN	Finanziari	1.25%	Irlanda
Mitsubishi 1.125% 15/07/2026 Reg S	Industriali	1.13%	Giappone
US Treasury 4.50% 30/11/2024	Governativi	0.99%	Stati Uniti d'America
Prime Security Services 5.75% 15/04/2026 144A	Industriali	0.95%	Stati Uniti d'America
New York Life Global Funding 2.00% 22/01/2025 144A	Finanziari	0.95%	Stati Uniti d'America
Co-Operative Bank Fimn. 6.00% VRN 06/04/2027	Finanziari	0.92%	Regno Unito
Lincoln Financing 3.625% 01/04/2024 REGS	Finanziari	0.90%	Lussemburgo
Tokyo Metropolitan Government 0.75% 16/07/2025 144A	Finanziari	0.89%	Giappone
Sumitomo Mitsui Banking 2.44% 18/06/2024 EMTN	Finanziari	0.86%	Giappone
FMG Resources August 5.125% 15/05/2024 Reg S	Materiali	0.85%	Australia
Abertis 3.375% 27/11/2026 EMTN	Industriali	0.84%	Spagna
Lennar 4.875% 15/12/2023	Prodotti voluttuari	0.82%	Stati Uniti d'America

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi il settore e il paese, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati.

Qual è stata la quota degli investimenti in materia di sostenibilità?

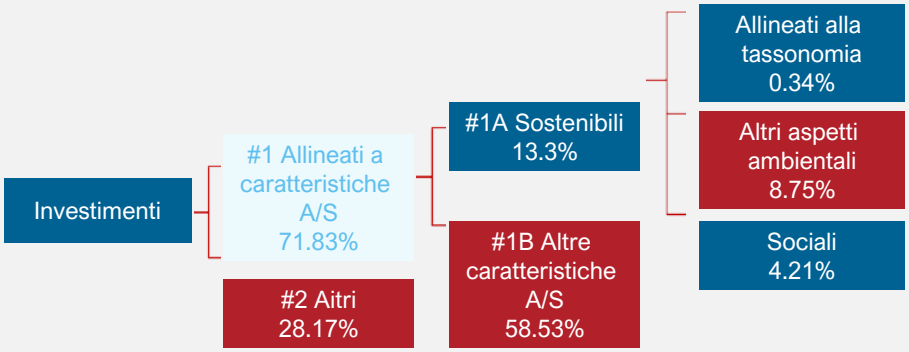
L' **allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il comparto ha effettuato il 13.3% di investimenti sostenibili.

Qual è stata l'allocazione degli attivi?

(#1 Allineato a caratteristiche E/S) Il comparto ha investito:
1. 71.83% del suo patrimonio in titoli di emittenti con caratteristiche ESG favorevoli;
2. 13.3% in investimenti sostenibili (#1A sostenibili)* di cui il 0.34% ha un obiettivo ambientale (allineato alla Tassonomia UE), il 8.75% ha un obiettivo ambientale (non allineato alla Tassonomia UE), il 4.21% ha un obiettivo sociale.

(#1B Altre caratteristiche E/S) Comprende titoli di emittenti con caratteristiche ESG favorevoli ma che non sono investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerai investimenti sostenibili.

La categoria **#1 Allineati** a caratteristiche A/S comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

-la sottocategoria **#1B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sotto Settore	% di attivi
Beni di prima necessità	Vendita al dettaglio di alimenti e prodotti di base	0.63%
Energia	Petrolio, gas e combustibili consumabili	6.84%
	Attrezzature e servizi energetici	0.81%
Finanziari	Finanza al consumo	5.47%
	Servizi finanziari diversificati	5.06%
	Banche e mutui ipotecari	3.24%
	Mercati dei capitali	2.36%
	Banche commerciali	16.18%
	Assicurazione	0.95%
Fondo di tipo aperto	Fondo monetario di tipo chiuso	1.82%
Governativi	Governativi	3.00%
Immobiliare	Real Estate Investment Trust (REIT)	1.72%
	Immobiliare	0.87%
	Reddito fisso - Obbligazioni societarie - Gestione e sviluppo immobiliare - Retail	0.42%
	Gestione e sviluppo immobiliare	0.12%
	Azioni - Titoli convertibili - Gestione e sviluppo immobiliare - Immobiliare	0.11%

Immobiliare	Reddito fisso - Obbligazioni societarie - Immobiliare - Retail	0.06%
Industriali	Infrastrutture di trasporto	3.88%
	Società commerciali e distributori	3.37%
	Compagnie aeree	2.72%
	Servizi e forniture commerciali	2.39%
	Aerospaziale e difesa	0.93%
	Strade e ferrovie	0.60%
	Macchinari	0.39%
Informatica	Apparecchiature e prodotti per semiconduttori	2.31%
	Strumenti e componenti per apparecchiature elettroniche	1.33%
	Computer e periferiche	0.86%
	Servizi IT	0.60%
	Software	0.39%
	Software e servizi Internet	0.27%
Materiali	Contenitori e imballaggi	2.16%
	Metallurgia e miniere	1.70%
	Prodotti chimici	0.76%
	Materiali da costruzione	0.35%
	Rame	0.25%
Prodotti voluttuari	Automobili	2.97%
	Hotel, ristoranti e tempo libero	2.16%
	Componenti per auto	1.59%
	Vendita al dettaglio specializzata	0.96%
	Beni durevoli per uso domestico	0.93%
	Media	0.80%
	Servizi al consumo diversificati	0.78%
	Tessile e abbigliamento	0.01%
Sanita	Prodotti farmaceutici	1.71%
	Fornitori e servizi sanitari	1.52%
	Tecnologia sanitaria	0.21%
Servizi di comunicazione	Servizi di telecomunicazione diversificati	1.80%
	Media	0.68%
	Servizi di telecomunicazione wireless	0.16%
Servizi di pubblica utilità	Servizi di pubblica utilità in ambito elettrico	2.54%
	Produttori indipendenti di energia e commercianti di energia	2.18%
	Servizi di pubblica utilità in ambito idrico	0.44%
	Servizi di pubblica utilità vari	0.07%

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali e presentati sotto forma di media per il periodo di riferimento. La classificazione dei titoli, compresi Settore e Sottosettore, è riferita all'ultimo giorno del periodo di riferimento. I dati comprendono tutti i titoli, esclusi i derivati. A causa della limitatezza dei dati, non siamo in grado di dare informazioni sulla percentuale di investimenti in settori e sottosettori dell'economia che traggono entrate dall'esplorazione, dall'estrazione, dall'estrazione, dalla produzione, dalla lavorazione,

dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, la conservazione e il commercio, di combustibili fossili.

Per conformarsi alla tassonomia dell'UE i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altreattività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio eche presentano, tra gli altri livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Le attività allineate alla tassonomia sono espresse in percentuate di:
- fatturato: quota di entrate da attività verdi delle Imprese beneficiarie degli investimenti
- spase in conto capitale (CapEx):investirnenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli Investimenti

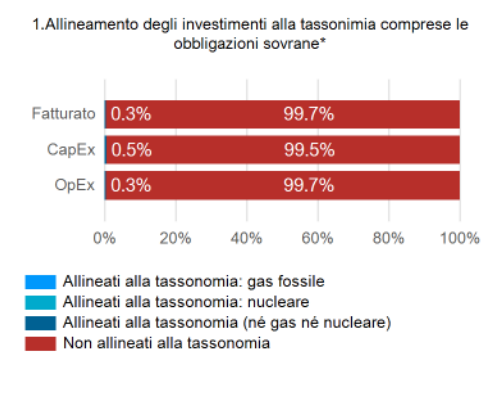
In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

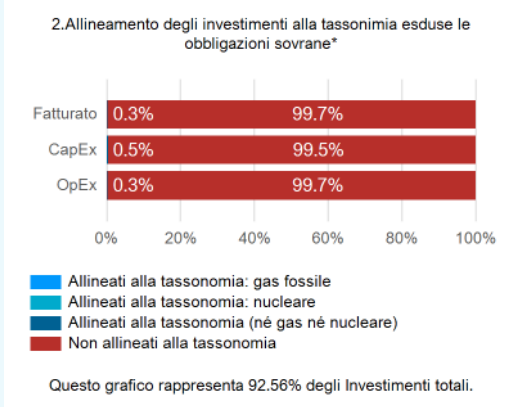
Il comparto ha effettuato almeno il 0.34% di investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE. Ciò ha contribuito all'obiettivo ambientale della Tassonomia UE in materia di mitigazione dei cambiamenti climatici (0.34%).
La conformità degli investimenti del comparto alla Tassonomia UE non era oggetto di garanzia da parte dei revisori o di revisione da parte di terzi.
L'allineamento tassonomico degli investimenti sottostanti del comparto è misurato dal fatturato.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nudeare che erano conformi alla tassonomia dell'UE[1]?

☐ Si
☐ Gas fossile ☐ Energia nucleare
☒ No

I due grafici sottostanti mostrano in blu scuro la percentuale minima di investimenti allineati alla Tassonomia UE. Poiché non esiste una metodologia appropriata per determinare l'allineamento alla Tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

I seguenti dati sono riferiti all'ultimo giorno di chiusura dei dati trimestrali solari e presentati sotto forma di media per il periodo di riferimento. I dati sulla Tassonomia UE comunicati possono differire a causa delle differenze nella metodologia di calcolo utilizzata.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

La quota del comparto realizzata in Attività abilitanti: 0.22%; Attività transizionali: 0.01%, misurato dal Fatturato.

Come si rapporta la percentuale di investimenti che erano allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile in quanto si tratta del primo periodo di riferimento.

[1]Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei ca mbiamenti climatici ("mitigazione dei ca mbiamenti dimatici") e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nudeare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale ehe **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il comparto ha effettuato investimenti sostenibili nella misura del 8.75% con un obiettivo ambientale non allineato alla Tassonomia UE, per quanto consentito e coerentemente con la politica d'investimento e le percentuali minime dichiarate nelle informazioni precontrattuali.

Qual era la quota di investimenti socialmente sostenibili?

Il comparto ha effettuato almeno il 4.21% di investimenti sostenibili con un obiettivo sociale .

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

I restanti investimenti del comparto sono stati effettuati in attivi coerenti con il suo obiettivo finanziario, contante ed equivalente del contante a fini di liquidità e derivati utilizzati per gli investimenti e la gestione efficace del portafoglio.
Come garanzia minima a livello ambientale e sociale, il comparto ha aderito alle Esclusioni.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il comparto ha intrapreso le seguenti azioni per soddisfare le caratteristiche ambientali o sociali:
1. Il comparto ha investito in titoli di emittenti con caratteristiche ESG favorevoli.
2. Il comparto ha effettuato investimenti sostenibili.
3. Riesame trimestrale della sostenibilità per discutere e rivedere le caratteristiche socioambientali qualiquantitative del comparto.
4. Il comparto ha applicato le Esclusioni.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Un Indice non è stato designato come benchmark di riferimento per determinare se questo prodotto finanziario è allineato alle caratteristiche ambientali o sociali che promuove.

Franklin Technology Fund (il "Fondo")

Identificatore della persona giuridica:
549300P9XZCZFA3DI319

FRANKLIN TEMPLETON

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ SÌ	☒ NO
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 0,00%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** 0,00%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Le caratteristiche ambientali e/o sociali ("E/S") promosse dal Comparto erano specifiche per ogni società e per ogni settore in cui il Comparto opera. Tali caratteristiche consistevano, tra l'altro, nella sicurezza informatica e riservatezza dei dati, nella promozione del capitale umano e/o negli aspetti ambientali (ad es. emissioni di carbonio, utilizzo dell'acqua e rifiuti di apparecchiature elettriche ed elettroniche). Franklin Advisers, Inc. (il "Gestore del Portafoglio") ha cercato di raggiungere queste caratteristiche escludendo determinati emittenti e settori, considerati dal Gestore del Portafoglio dannosi per la società, e favorendo invece gli emittenti con un buon profilo ambientale, sociale e di governance ("ESG"), come rilevato dalla sua metodologia ESG proprietaria.

Inoltre, il Comparto ha promosso le caratteristiche ambientali e sociali selezionate analizzando le aziende possedute considerando le misurazioni delle caratteristiche identificate attraverso le matrici di materialità e informando le aziende sui punti di attenzione ESG e, se del caso, impegnandosi con le aziende se il Gestore del Portafoglio riteneva che fossero in ritardo.

A tale riguardo, al 30 giugno 2023, il Comparto aveva allocato il 98,56% del suo patrimonio a investimenti allineati con le caratteristiche E/S.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Il Comparto ha soddisfatto positivamente le caratteristiche di E/S promosse non possedendo società con rating B secondo i criteri proprietari del Gestore del Portafoglio ed evitando le società escluse identificate dall'analisi del Gestore del Portafoglio.

Nome KPI sostenibilità	Valore
La quota di società con rating AAA secondo la metodologia ESG proprietaria	11,72%
La quota di società con rating AA secondo la metodologia ESG proprietaria	52,80%
La quota di società con rating A secondo la metodologia ESG proprietaria	34,05%
La quota di società senza rating secondo la metodologia ESG proprietaria	1,44%
La quota di società con un'esposizione o collegate a settori esclusi e altre esclusioni	0,00%

… e rispetto ai periodi precedenti?

Non pertinente in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non applicabile.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Il Comparto ha considerato specificamente i seguenti principali effetti negativi ("PAI"):

- **Emissioni di gas a effetto serra Scope 1 e Scope 2;**
- **Intensità delle emissioni di gas serra Scope 1+2 e significative emissioni Scope 3; e**
- **Diversità di genere nel consiglio di amministrazione.**

La considerazione dei PAI specificati è stata legata all'analisi fondamentale degli investimenti del Comparto e alla valutazione ESG delle società partecipate. Il Gestore del Portafoglio ritiene che questi PAI fossero validi per il più ampio spettro di investimenti del Comparto e che rappresentassero la più grande opportunità di impegno.

Per quanto riguarda le emissioni di gas a effetto serra, il Gestore del Portafoglio si è impegnato a collaborare con le società partecipate per accertarsi che esse stabilissero e si impegnassero a realizzare dei piani di riduzione delle emissioni di gas a effetto serra, coerenti con obiettivi scientificamente fondati di neutralità carbonica a lungo termine entro il 2050, in linea con gli impegni della Net Zero Asset Managers Initiative ("NZAMI"). Il Gestore del Portafoglio ha collaborato con le società affinché esse si impegnino ad allinearsi agli obiettivi di neutralità carbonica, allinearsi le proprie emissioni alla neutralità carbonica, essere allineate per raggiungere la neutralità carbonica e raggiungere la neutralità carbonica. Sebbene il Gestore del Portafoglio fosse consapevole del fatto che, nel breve termine, le emissioni assolute di alcune società possano anche aumentare durante l'elaborazione dei piani di transizione, tenere conto dell'intensità delle emissioni di gas a effetto serra ha aiutato il Gestore del Portafoglio a verificare che le emissioni complessive di gas serra delle società evolvessero in una direzione coerente con la riduzione delle emissioni nel tempo.

Per quanto riguarda la diversità di genere nei consigli di amministrazione, il Gestore del Portafoglio si è impegnato a collaborare con le società partecipate per assicurarsi che i loro consigli di amministrazione fossero rappresentativi della clientela a cui si rivolgono, perché è convinto che questo favorisca una migliore comprensione della loro base di consumatori, la creazione di prodotti migliori e, in definitiva, a una maggiore efficienza dell'impresa. Inizialmente, il Gestore del Portafoglio si è adoperato per individuare le società che non presentassero una diversità di genere nei consigli di amministrazione e stabilisce soglie temporali per la stesura di un piano di incremento della diversità di genere nel consiglio di amministrazione. Il Gestore del Portafoglio ha ritenuto ragionevole aumentare nel corso del tempo il livello accettabile di diversità di genere nei consigli di amministrazione e impegnarsi con le società in ritardo rispetto a società comparabili dello stesso settore.

Per i PAI sopra indicati, inizialmente il Gestore del Portafoglio ha determinato il livello di riferimento iniziale del portafoglio e delle società partecipate, cercando quindi di migliorare entrambi i fronti nel corso del tempo attraverso il proprio coinvolgimento. Nell'ambito dei suoi impegni NZAMI, il Comparto ha collaborato con le società partecipate per fissare e seguire obiettivi di riduzione delle emissioni basati su dati scientifici, e ha cercato di mantenere un approccio di copertura del portafoglio, aumentando il peso delle società che hanno raggiunto la neutralità carbonica, che sono allineate all'obiettivo di neutralità carbonica o che vi si stanno allineando. L'obiettivo del portafoglio è che queste categorie raggiungano il 100% entro il 2040. Per quanto riguarda la diversità di genere nei consigli di amministrazione, l'impegno iniziale del Comparto prevede un coinvolgimento con tutte le società che non presentano una diversità di genere, chiedendo che elaborino almeno un piano per migliorare la diversità di genere nel consiglio di amministrazione nell'arco di 18 mesi. Il Gestore del Portafoglio intende aumentare le aspettative di diversità di genere nei consigli di amministrazione nel corso del tempo. In caso di assenza di miglioramenti di queste misure per le società partecipate, il Gestore del Portafoglio può optare per il disinvestimento qualora non rilevi un percorso di miglioramento.

Infine, il Comparto ha escluso le società che producevano armi controverse o che non rispettavano i principi del Global Compact delle Nazioni Unite ("Principi UNGC"), e che non presentavano prospettive positive di rimedio.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-07-01 - 2023-06-30.

Gli investimenti più rilevanti di questo Comparto, esclusa la liquidità, sono stati:

Investimenti più ampi	Settore	% del patrimonio	Paese
Microsoft Corp	Tecnologia dell'informazione	6,54%	Stati Uniti
Apple Inc	Tecnologia dell'informazione	5,66%	Stati Uniti
NVIDIA Corp	Tecnologia dell'informazione	5,42%	Stati Uniti
Amazon.com Inc	Beni di consumo voluttuari	5,01%	Stati Uniti
Mastercard Inc	Finanza	3,08%	Stati Uniti
ASML Holding	Tecnologia dell'informazione	2,85%	Paesi Bassi
ServiceNow Inc	Tecnologia dell'informazione	2,70%	Stati Uniti
Synopsys Inc	Tecnologia dell'informazione	2,56%	Stati Uniti
Alphabet Inc	Servizi di comunicazione	2,48%	Stati Uniti
Salesforce Inc	Tecnologia dell'informazione	2,40%	Stati Uniti
Analog Devices Inc	Tecnologia dell'informazione	2,30%	Stati Uniti
Intuit Inc	Tecnologia dell'informazione	2,16%	Stati Uniti
Visa Inc	Finanza	2,11%	Stati Uniti
Applied Materials Inc	Tecnologia dell'informazione	2,05%	Stati Uniti
Snowflake Inc	Tecnologia dell'informazione	2,04%	Stati Uniti

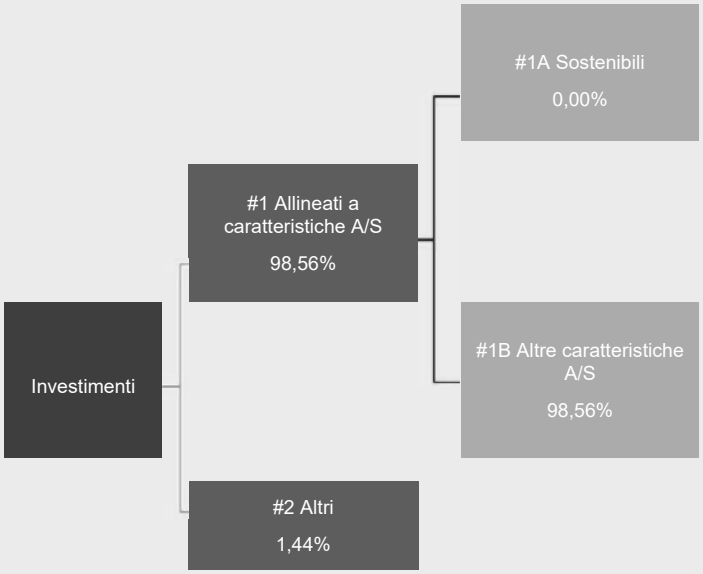
Qual è stata la quota degli investimenti in materia di sostenibilità?

La percentuale di investimenti sostenibili era pari a 0%.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il 98,56% del portafoglio del Comparto era allineato alle caratteristiche E/S promosse dal Comparto. La parte restante (1,44%) non era allineata alle caratteristiche promosse e consisteva principalmente in attività liquide, o emittenti per i quali non esisteva un rating ESG. Queste attività erano detenute a servizio delle esigenze quotidiane del Comparto.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Al 30 giugno 2023, i principali settori e sottosettori del Comparto, esclusa la liquidità, erano:

Settore principale	% del patrimonio
Tecnologia dell'informazione	74,19%
Beni di consumo voluttuari	8,97%
Finanza	8,27%
Servizi di comunicazione	4,42%
Sanità	1,49%
Titoli di Stato	1,26%
Commerciale	0,93%
Industria	0,32%

Sottosettore principale	% del patrimonio
Software	34,85%
Semiconduttori e attrezzature per semiconduttori	24,86%
Servizi finanziari	7,91%
Servizi IT	7,31%
Apparecchiature, memorie e componenti tecnologici	5,87%
Grande distribuzione organizzata	5,75%
Media e servizi interattivi	3,24%
Tecnologia sanitaria	1,40%
Hotel, ristoranti e tempo libero	1,28%
Titoli di Stato	1,26%
Automobili	1,18%
REIT specializzati	0,93%
Apparecchiature di comunicazione	0,68%
Servizi di telecomunicazione wireless	0,65%
Apparecchiature, strumenti e componenti elettronici	0,62%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Comparto non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

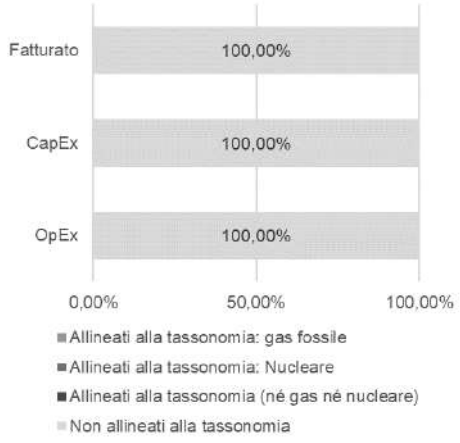
☐ In gas fossile ☐ In energia nucleare

☒ No

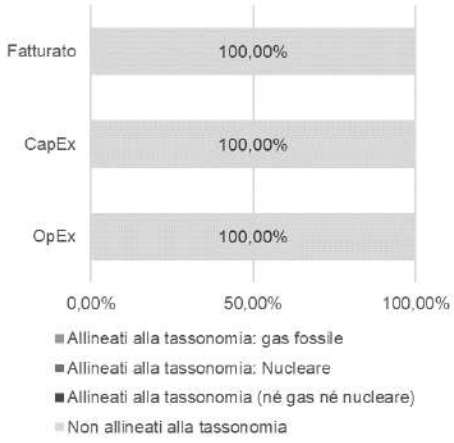
Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Il Comparto non ha investito in attività transitorie e abilitanti.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Non applicabile

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "N. 2 Altro" era pari a 1,44% e comprendeva attività liquide detenute a servizio delle esigenze quotidiane del Comparto, per le quali non sono previste garanzie ambientali o sociali minime. In questa voce sono inclusi anche gli emittenti per i quali non era disponibile un rating ESG.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Con l'analisi ESG il Gestore del Portafoglio ha identificato le società che sarebbero escluse in base ai criteri vincolanti ed evita di investire in queste società. Il Comparto non ha investito in società che, in base all'analisi del Gestore del Portafoglio:

- Violano gravemente i Principi UNGC (senza una prospettiva positiva) – a tal fine, il Comparto non investe in società che il Gestore del Portafoglio valuta come fallimentari ai sensi dei Principi UNGC;
- Generano più del 10% dei ricavi dalla produzione e/o distribuzione di armamenti;
- Partecipano alla produzione, alla distribuzione o al commercio all'ingrosso di componenti dedicati e/o chiave di armi proibite (ossia mine antiuomo, armi biologiche e chimiche e munizioni a grappolo);
- Producono tabacco o prodotti del tabacco o generano oltre il 5% dei loro ricavi da tali prodotti;
- Generano oltre il 10% dei loro ricavi dall'estrazione di carbone termico o dalla generazione di energia dal carbone.

Per le società in cui l'impegno riguardava specifici PAI, il Gestore del Portafoglio ha avviato iniziative, incoraggiando, tra l'altro, le società a fissare obiettivi di riduzione delle emissioni in linea con l'Accordo di Parigi o a migliorare la diversità di genere nel consiglio di amministrazione. Il Gestore del Portafoglio ritiene che, alla luce del tempo trascorso dall'impegno, le società dovrebbero avere più tempo per iniziare ad realizzare i piani di miglioramento prima di intraprendere ulteriori iniziative, compreso il disinvestimento.

Infine, il Gestore del Portafoglio si è avvalso della propria metodologia di rating ESG. Il Gestore del Portafoglio può scegliere fra quattro rating da attribuire agli emittenti: AAA (best in class/molto buono), AA (buono), A (sufficiente) e B (necessita miglioramenti). Sulla base di questo schema proprietario, il Comparto non ha investito in società che avevano un rating B.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

Franklin K2 Alternative Strategies Fund (il "Fondo")

Identificatore della persona giuridica:
54930062LATFG8YHK918

FRANKLIN TEMPLETON

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ SÌ	☒ NO
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 0,00%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** 0,00%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

A livello di portafoglio, il Comparto ha promosso standard minimi di tipo ambientale, sociale e di governance ("ESG") puntando i) ad una media ponderata dei punteggi ESG maggiore del punteggio MSCI ESG medio dell'universo degli investimenti, oppure ii) ad un punteggio MSCI ESG di 5,25, a seconda di quale sia maggiore, sulla base dell'esposizione lunga nel portafoglio dei titoli interessati dal punteggio.

Pertanto, il Comparto ha promosso caratteristiche ambientali e sociali che comprendono, tra l'altro, azioni intese a lottare contro il cambiamento climatico, la riduzione dell'inquinamento e dei rifiuti e/o i diritti umani.

L'universo degli investimenti è stato definito come tutti gli emittenti con un punteggio ESG MSCI attuale. Le partecipazioni alle quali non è assegnato alcun punteggio MSCI ESG non hanno contribuito al punteggio ESG del Comparto o al suo universo di investimento.

Inoltre, il Comparto ha adottato dei filtri negativi come parte del processo di investimento.

A tale riguardo, al 30 giugno 2023, il Comparto aveva allocato il 53,90% del suo patrimonio a investimenti allineati con le caratteristiche E/S.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Gli indicatori di sostenibilità utilizzati per misurare il rispetto di ciascuna delle caratteristiche ambientali o sociali promosse sono:

- la media ponderata dei punteggi ESG del portafoglio; e
- la quota di società partecipate che hanno esposizioni o legami con i settori esclusi.

I valori indicati sotto si riferiscono al 30 giugno 2023:

Nome KPI sostenibilità	Valore
La media ponderata dei punteggi ESG del portafoglio	6,00
La quota di società partecipate che hanno esposizioni o legami con i settori esclusi.	0,00

… e rispetto ai periodi precedenti?

Non pertinente in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Il Comparto non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Non applicabile.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I principali effetti negativi ("PAI") sono integrati nell'ESG 360 Trasbordar, il modello di assegnazione del punteggio di proprietà di K2/D&S Management Co., In ("Gestore del Portafoglio"). Questo strumento per la creazione di modelli ESG prende in considerazione il punteggio a livello di posizione da MSCI ESG e produce punteggi di sleeve e portafoglio.

Riguardo al Comparto sono stati considerati principalmente i seguenti PAI:

- **emissioni di gas serra;**
- **intensità di gas serra;**
- **esposizione a società attive nel settore dei combustibili fossili;**
- **violazioni dei principi del Global Compact delle Nazioni Unite ("Principi UNGC") e delle Linee Guida dell'Organizzazione per la Cooperazione e lo Sviluppo Economico ("OCSE") per le imprese multinazionali; e**
- **esposizione ad armi controverse.**

Nella misura in cui non vi erano dati disponibili per le emissioni di gas serra, l'intensità dei gas serra e l'esposizione al settore dei combustibili fossili, e in relazione alle posizioni lunghe del Comparto, il Gestore del Portafoglio si è confrontato con i vari co-gestori del portafoglio al fine di stimolarli ad invitare i rispettivi emittenti a migliorare i loro resoconti.

Il Comparto si è impegnato ad avere nel portafoglio un'esposizione inferiore all'1% a titoli azionari e credito societario che violano i principi UNGC senza prospettive positive. Il Comparto ha limitato allo 0,07% l'esposizione ai titoli azionari e di debito societario che violano i principi UNGC senza prospettive positive. Inoltre, il Comparto ha considerato le violazioni del Global Compact delle nazioni Unite e delle Linee guida dell'OCSE nel quadro della valutazione della buona governance delle società beneficiarie degli investimenti. Il Gestore del Portafoglio ha analizzato le posizioni lunghe per identificare i titoli che non soddisfacevano i Principi UNGC o le Linee guida dell'OCSE. Il Gestore del Portafoglio si è confrontato con i vari co-gestori del portafoglio al fine di comprendere la proposta di investimento del titolo segnalato come in violazione del Global Compact delle nazioni Unite e delle Linee guida dell'OCSE e ha svolto una valutazione della governance societaria sottostante. Se risultava che il titolo aveva in effetti una governance insufficiente, il titolo veniva aggiunto all'elenco di restrizioni del Comparto con l'istruzione di disinvestire entro 90 giorni.

Il Comparto ha limitato l'esposizione ad armi controverse allo 0%.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-07-01 - 2023-06-30.

I principali investimenti di questo Comparto, esclusa la liquidità, sono stati:

Investimenti più ampi	Settore	% del patrimonio	Paese
FX: USD/SGD	FX	3,59%	SINGAPORE
S&P 500 INDEX	Indice azionario	3,50%	STATI UNITI
FX: EUR/USD	FX	2,71%	PAESI EUROPEI
IR DERIVATIVE: USD/USD-SOFR	Derivati sui Tassi di Interesse	2,08%	STATI UNITI
IR DERIVATIVE: KRW/KRW-KWCDC	Derivati sui Tassi di Interesse	1,49%	COREA DEL SUD
FX: GBP/USD	FX	1,25%	REGNO UNITO
IR DERIVATIVE: AUD-ADBB3M/AUD-RBACOR	Derivati sui Tassi di Interesse	1,23%	AUSTRALIA
FX: USD/JPY	FX	1,11%	GIAPPONE
FX: USD/CNH	FX	1,05%	CINA
3 MONTH SOFR FUT	Derivati sui Tassi di Interesse	1,02%	STATI UNITI
FX: USD/CAD	FX	0,98%	CANADA
FX: USD/CHF	FX	0,89%	SVIZZERA
FX: AUD/USD	FX	0,81%	AUSTRALIA
3MO EURO EURIBOR	Derivati sui Tassi di Interesse	0,77%	PAESI EUROPEI
IR DERIVATIVE: INR/INR-IN00O/N	Derivati sui Tassi di Interesse	0,77%	INDIA

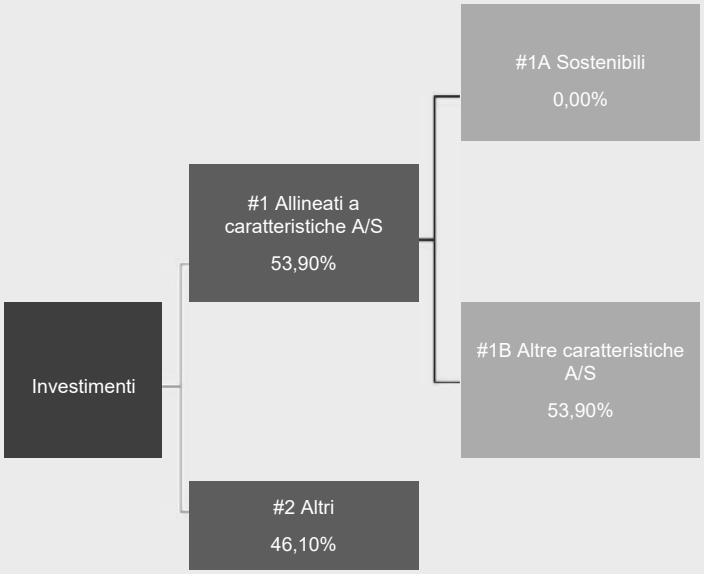
Qual è stata la quota degli investimenti in materia di sostenibilità?

Il Comparto non ha effettuato alcun investimento sostenibile nel periodo di riferimento.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il 53,90% del portafoglio del Comparto era allineato alle caratteristiche E/S promosse dal Comparto. La parte restante (46,10%) non era allineata alle caratteristiche E/S e consisteva principalmente in tipi di attività e titoli non considerati attività ammissibili secondo la metodologia MSCI ESG Ratings.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Al 30 giugno 2023, i principali settori e sottosettori del Comparto, esclusa la liquidità, erano:

Settore principale	% del patrimonio
FX	22,73%
Derivati sui Tassi di Interesse	13,07%
Titoli di Stato	9,29%
Industria	7,79%
Beni di consumo voluttuari	6,73%
Indice azionario	6,72%
Finanza	5,09%
Tecnologia dell'informazione	4,40%
Sanità	4,32%
Indice creditizio	3,99%
Servizi di comunicazione	3,38%
Materiali	3,09%
Servizi pubblici	2,96%
Beni di largo consumo	2,33%
Energia	2,12%

Sottosettore principale	% del patrimonio
Derivati Valutari	19,54%
Derivati sui Tassi di Interesse	13,07%
Sovrani	9,16%
Indice azionario	6,72%
Indice creditizio	3,99%
Future su valute	3,19%
Software	2,31%
Hotel, ristoranti e tempo libero	2,23%
Biotecnologia	1,75%
Punti vendita al dettaglio specializzati	1,72%
Petrolio, gas e carburanti di consumo	1,52%
Servizi di erogazione dell'elettricità	1,51%
Metalli e miniere	1,41%
Servizi finanziari	1,33%
Chimica	1,26%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Comparto non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

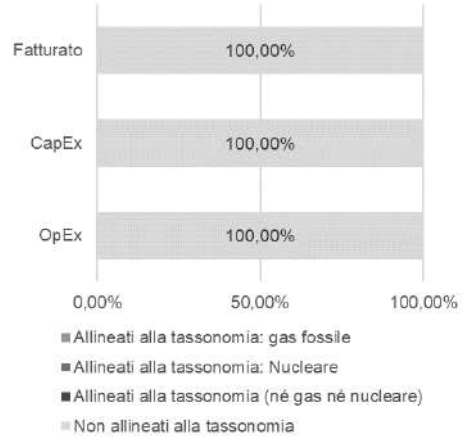
☐ In gas fossile ☐ In energia nucleare

☒ No

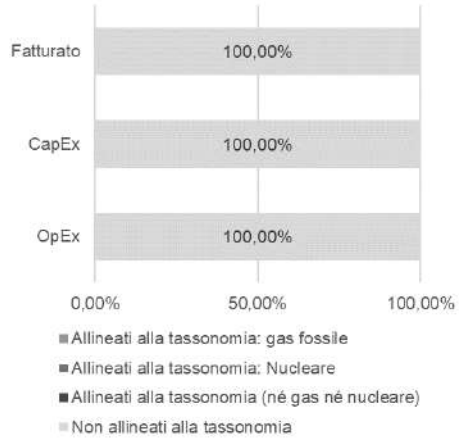
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- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
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- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Il Comparto non ha investito in attività transitorie e abilitanti.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile.

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Non applicabile.

Qual era la quota di investimenti socialmente sostenibili?

Il prodotto finanziario ha avuto una quota di investimenti con un obiettivo sociale del(lo) 0,00%.

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "N. 2 Altro" era pari al 46,10% e comprendeva tipi di attività e titoli considerati attività non idonee nell'ambito della metodologia di rating ESG MSCI. Ciò comprende attività liquide (attività liquide accessorie, depositi bancari, strumenti del mercato monetario e fondi comuni monetari), operazioni in valuta e derivati su operazioni in valuta, swap su tassi d'interesse e materie prime ammissibili per gli OIC. Inoltre, il Comparto ha investito in attività idonee ai sensi della metodologia ESG MSCI ma che non sono coperte ai fini del calcolo del punteggio ESG complessivo del Comparto. Tali attività comprendono credito strutturato e posizioni corte in derivati. Infine, non sono state stabilite garanzie di salvaguardia ambientale e/o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento possono essere così sintetizzati:

1. il Comparto si è impegnato con successo a raggiungere un punteggio ESG complessivo di almeno 5,25 sulla base della media ponderata del punteggio ESG MSCI per tutte le posizioni lunghe dei titoli interessati dal punteggio detenuti nel portafoglio e coperti da MSCI. Se il punteggio del Comparto scendeva al disotto di 5,25, il Gestore del Portafoglio riequilibrava tra gli sleeve dei co-gestori del portafoglio per ottenere un punteggio del Comparto pari o superiore a 5,25 entro 90 giorni.

La media ponderata del punteggio MSCI ESG del portafoglio è stata di 6,0 (mentre la mediana del punteggio MSCI ESG dell'universo di investimento è stata di 5,3); e

2. il Comparto ha escluso alcuni settori e società in base ai seguenti criteri:

- 0% di esposizione ad armi controverse;
- Meno dell'1% di esposizione lunga a titoli che non rispettano i Principi UNGC senza prospettive positive;
- Meno del 5% di esposizione lunga a titoli con rating MSCI CCC;
- 0% di esposizione lunga a società che generano più del 5% dei loro ricavi dalla produzione o distribuzione di tabacco; e
- 0% di esposizione lunga a società che generano più del 30% dei loro ricavi dalla produzione o distribuzione di carbone.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

Franklin U.S. Opportunities Fund (il "Fondo")

Identificatore della persona giuridica:
YWFJZZO29TGGRF43SH58

FRANKLIN TEMPLETON

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ SÌ	☒ NO
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 0,00%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** 0,00%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Le caratteristiche ambientali e/o sociali ("E/S") promosse dal Comparto erano specifiche per ogni società e per ogni settore in cui il Comparto opera. Queste caratteristiche consistevano, tra l'altro, nel supporto del capitale umano, della diversità e dell'inclusione, della soddisfazione dei dipendenti e/o degli aspetti ambientali (ad esempio, emissioni di carbonio, utilizzo di acqua e rifiuti elettronici). Franklin Advisers, Inc. (il "Gestore del Portafoglio") ha cercato di raggiungere queste caratteristiche escludendo determinati emittenti e settori, considerati dal Gestore del Portafoglio dannosi per la società, e favorendo invece gli emittenti con un buon profilo ambientale, sociale e di governance ("ESG"), come rilevato dalla sua metodologia ESG proprietaria.

Inoltre, il Comparto ha promosso le caratteristiche ambientali e sociali selezionate analizzando le aziende possedute considerando le misurazioni delle caratteristiche identificate attraverso le matrici di materialità e informando le aziende sui punti di attenzione ESG e, se del caso, impegnandosi con le aziende se il Gestore del Portafoglio riteneva che fossero in ritardo.

A tale riguardo, al 30 giugno 2023, il Comparto aveva allocato il 99,07% del suo patrimonio a investimenti allineati con le caratteristiche E/S.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Il Comparto ha soddisfatto positivamente le caratteristiche di E/S promosse non possedendo società con rating B secondo i criteri proprietari del Gestore del Portafoglio ed evitando le società escluse identificate dall'analisi del Gestore del Portafoglio.

Nome KPI sostenibilità	Valore
La quota di società con rating AAA secondo la metodologia ESG proprietaria	12,74%
La quota di società con rating AA secondo la metodologia ESG proprietaria	56,20%
La quota di società con rating A secondo la metodologia ESG proprietaria	30,14%
La quota di società senza rating secondo la metodologia ESG proprietaria	0,93%
La quota di società con un'esposizione o collegate a settori esclusi e altre esclusioni	0,00%

… e rispetto ai periodi precedenti?

Non pertinente in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Non applicabile.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Il Comparto ha considerato specificamente i seguenti principali effetti negativi ("PAI"):

- **Emissioni di gas a effetto serra Scope 1 e Scope 2;**
- **Intensità delle emissioni di gas serra Scope 1+2 e significative emissioni Scope 3; e**
- **Diversità di genere nel consiglio di amministrazione.**

La considerazione dei PAI specificati è stata legata all'analisi fondamentale degli investimenti del Comparto e alla valutazione ESG delle società partecipate. Il Gestore del Portafoglio ritiene che questi PAI fossero validi per il più ampio spettro di investimenti del Comparto e che rappresentassero la più grande opportunità di impegno.

Per quanto riguarda le emissioni di gas a effetto serra, il Gestore del Portafoglio si è impegnato a collaborare con le società partecipate per accertarsi che esse stabilissero e si impegnassero a realizzare dei piani di riduzione delle emissioni di gas a effetto serra, coerenti con obiettivi scientificamente fondati di neutralità carbonica a lungo termine entro il 2050, in linea con gli impegni della Net Zero Asset Managers Initiative ("NZAMI"). Il Gestore del Portafoglio ha collaborato con le società affinché esse si impegnino ad allinearsi agli obiettivi di neutralità carbonica, allinearsi le proprie emissioni alla neutralità carbonica, essere allineate per raggiungere la neutralità carbonica e raggiungere la neutralità carbonica. Sebbene il Gestore del Portafoglio fosse consapevole del fatto che, nel breve termine, le emissioni assolute di alcune società possano anche aumentare durante l'elaborazione dei piani di transizione, tenere conto dell'intensità delle emissioni di gas a effetto serra ha aiutato il Gestore del Portafoglio a verificare che le emissioni complessive di gas serra delle società evolvessero in una direzione coerente con la riduzione delle emissioni nel tempo.

Per quanto riguarda la diversità di genere nei consigli di amministrazione, il Gestore del Portafoglio si è impegnato a collaborare con le società partecipate per assicurarsi che i loro consigli di amministrazione fossero rappresentativi della clientela a cui si rivolgono, perché è convinto che questo favorisca una migliore comprensione della loro base di consumatori, la creazione di prodotti migliori e, in definitiva, a una maggiore efficienza dell'impresa. Inizialmente, il Gestore del Portafoglio si è adoperato per individuare le società che non presentassero una diversità di genere nei consigli di amministrazione e stabilisce soglie temporali per la stesura di un piano di incremento della diversità di genere nel consiglio di amministrazione. Il Gestore del Portafoglio ha ritenuto ragionevole aumentare nel corso del tempo il livello accettabile di diversità di genere nei consigli di amministrazione e impegnarsi con le società in ritardo rispetto a società comparabili dello stesso settore.

Per i PAI sopra indicati, inizialmente il Gestore del Portafoglio ha determinato il livello di riferimento iniziale del portafoglio e delle società partecipate, cercando quindi di migliorare entrambi i fronti nel corso del tempo attraverso il proprio coinvolgimento. Nell'ambito dei suoi impegni NZAMI, il Comparto ha collaborato con le società partecipate per fissare e seguire obiettivi di riduzione delle emissioni basati su dati scientifici, e ha cercato di mantenere un approccio di copertura del portafoglio, aumentando il peso delle società che hanno raggiunto la neutralità carbonica, che sono allineate all'obiettivo di neutralità carbonica o che vi si stanno allineando. L'obiettivo del portafoglio è che queste categorie raggiungano il 100% entro il 2040. Per quanto riguarda la diversità di genere nei consigli di amministrazione, l'impegno iniziale del Comparto prevede un coinvolgimento con tutte le società che non presentano una diversità di genere, chiedendo che elaborino almeno un piano per migliorare la diversità di genere nel consiglio di amministrazione nell'arco di 18 mesi. Il Gestore del Portafoglio intende aumentare le aspettative di diversità di genere nei consigli di amministrazione nel corso del tempo. In caso di assenza di miglioramenti di queste misure per le società partecipate, il Gestore del Portafoglio può optare per il disinvestimento qualora non rilevi un percorso di miglioramento.

Infine, il Comparto ha escluso le società che producevano armi controverse o che non rispettavano i principi del Global Compact delle Nazioni Unite ("Principi UNGC"), e che non presentavano prospettive positive di rimedio.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-07-01 - 2023-06-30.

Gli investimenti più rilevanti di questo Comparto, esclusa la liquidità, sono stati:

Investimenti più ampi	Settore	% del patrimonio	Paese
Amazon.com Inc	Beni di consumo voluttuari	5,90%	Stati Uniti
Microsoft Corp	Tecnologia dell'informazione	5,66%	Stati Uniti
Apple Inc	Tecnologia dell'informazione	5,29%	Stati Uniti
Mastercard Inc	Finanza	5,19%	Stati Uniti
Alphabet Inc	Servizi di comunicazione	3,32%	Stati Uniti
NVIDIA Corp	Tecnologia dell'informazione	2,99%	Stati Uniti
UnitedHealth Group Inc	Sanità	2,95%	Stati Uniti
ServiceNow Inc	Tecnologia dell'informazione	2,74%	Stati Uniti
Danaher Corp	Sanità	2,45%	Stati Uniti
SBA Communications Corp REIT	Commerciale	2,45%	Stati Uniti
Meta Platforms Inc	Servizi di comunicazione	2,18%	Stati Uniti
Visa Inc	Finanza	2,02%	Stati Uniti
MSCI Inc	Finanza	1,98%	Stati Uniti
Chipotle Mexican Grill Inc	Beni di consumo voluttuari	1,87%	Stati Uniti
Monolithic Power Systems Inc	Tecnologia dell'informazione	1,85%	Stati Uniti

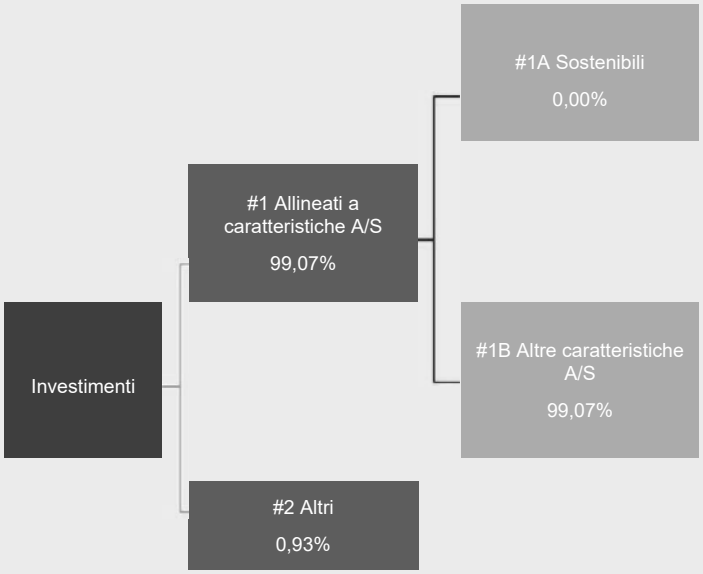
Qual è stata la quota degli investimenti in materia di sostenibilità?

La percentuale di investimenti sostenibili era pari a 0%.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il 99,07% del portafoglio del Comparto era allineato alle caratteristiche E/S promosse dal Comparto. La parte restante (0,93%) non era allineata alle caratteristiche promosse e consisteva principalmente in attività liquide, o emittenti per i quali non esisteva un rating ESG. Queste attività erano detenute a servizio delle esigenze quotidiane del Comparto.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Al 30 giugno 2023, i principali settori e sottosettori del Comparto, esclusa la liquidità, erano:

Settore principale	% del patrimonio
Tecnologia dell'informazione	40,60%
Sanità	12,59%
Beni di consumo voluttuari	12,42%
Finanza	9,26%
Servizi di comunicazione	8,61%
Industria	6,54%
Beni di largo consumo	3,72%
Commerciale	2,61%
Materiali	1,78%
Utility	0,99%
Titoli di Stato	0,06%

Sottosettore principale	% del patrimonio
Software	24,08%
Semiconduttori e attrezzature per semiconduttori	9,20%
Media e servizi interattivi	7,29%
Grande distribuzione organizzata	6,34%
Servizi finanziari	5,97%
Apparecchiature, memorie e componenti tecnologici	5,82%
Strumenti e servizi per scienze naturali	3,84%
Prodotti farmaceutici	3,63%
Mercati di capitali	3,29%
Fornitori e servizi sanitari	2,49%
Bevande	2,32%
Punti vendita al dettaglio specializzati	2,23%
Forniture e apparecchiature sanitarie	2,11%
Trasporti terrestri	2,09%
Hotel, ristoranti e tempo libero	1,96%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Comparto non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

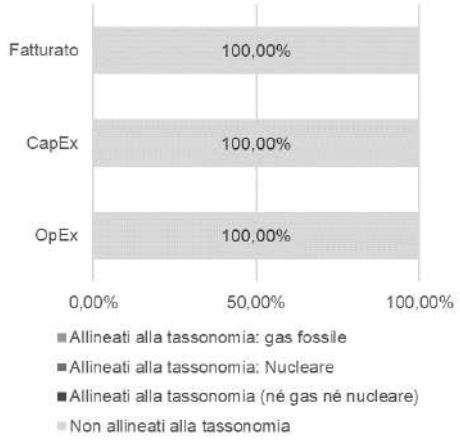
☐ In gas fossile ☐ In energia nucleare

☒ No

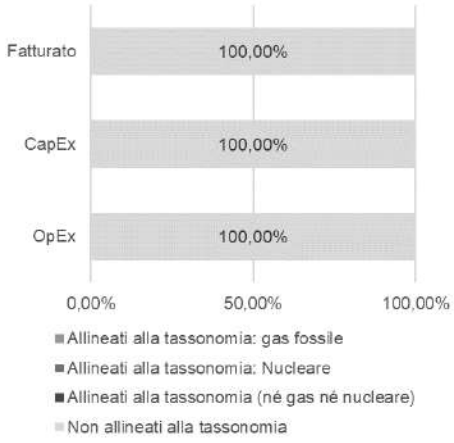
Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Il Comparto non ha investito in attività transitorie e abilitanti.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Non applicabile

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "N. 2 Altro" era pari allo 0,93% e comprendeva attività liquide detenute a servizio delle esigenze quotidiane del Comparto, per le quali non sono previste garanzie ambientali o sociali minime. In questa voce sono inclusi anche gli emittenti per i quali non era disponibile un rating ESG.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Con l'analisi ESG il Gestore del Portafoglio ha identificato le società che sarebbero escluse in base ai criteri vincolanti ed evita di investire in queste società. Il Comparto non ha investito in società che, in base all'analisi del Gestore del Portafoglio:

- Violano gravemente i Principi UNGC (senza una prospettiva positiva) – a tal fine, il Comparto non investe in società che il Gestore del Portafoglio valuta come fallimentari ai sensi dei Principi UNGC;
- Generano più del 10% dei ricavi dalla produzione e/o distribuzione di armamenti;
- Partecipano alla produzione, alla distribuzione o al commercio all'ingrosso di componenti dedicati e/o chiave di armi proibite (ossia mine antiuomo, armi biologiche e chimiche e munizioni a grappolo);
- Producono tabacco o prodotti del tabacco o generano oltre il 5% dei loro ricavi da tali prodotti;
- Generano oltre il 10% dei loro ricavi dall'estrazione di carbone termico o dalla generazione di energia dal carbone.

Per le società in cui l'impegno riguardava specifici PAI, il Gestore del Portafoglio ha avviato iniziative, incoraggiando, tra l'altro, le società a fissare obiettivi di riduzione delle emissioni in linea con l'Accordo di Parigi o a migliorare la diversità di genere nel consiglio di amministrazione. Il Gestore del Portafoglio ritiene che, alla luce del tempo trascorso dall'impegno, le società dovrebbero avere più tempo per iniziare ad realizzare i piani di miglioramento prima di intraprendere ulteriori iniziative, compreso il disinvestimento.

Infine, il Gestore del Portafoglio si è avvalso della propria metodologia di rating ESG. Il Gestore del Portafoglio può scegliere fra quattro rating da attribuire agli emittenti: AAA (best in class/molto buono), AA (buono), A (sufficiente) e B (necessita miglioramenti). Sulla base di questo schema proprietario, il Comparto non ha investito in società che avevano un rating B.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

Templeton Global Bond Fund (il "Fondo")

Identificatore della persona giuridica:
5SLKA4UT9B55J80BUH41

FRANKLIN TEMPLETON

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ SÌ	☒ NO
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 0,00%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** 0,00%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto ha promosso estese caratteristiche ambientali e/o sociali utilizzando una metodologia proprietaria di assegnazione di un rating ambientale, sociale e di governance ("ESG"), il Templeton Global Macro ESG Index ("TGM-ESGI") per:

- escludere i titoli di Stato dei Paesi con le performance peggiori in ciascuna categoria ESG, fino a che le esclusioni non abbiano raggiunto il 10% dell'universo d'investimento del Comparto dedicato alle obbligazioni sovrane; e
- impegnarsi affinché la media ponderata del punteggio ESG di base delle obbligazioni sovrane (comprese le obbligazioni sovranazionali e anche il valore nozionale delle posizioni nette lunghe nei relativi derivati) nel portafoglio del Comparto sia superiore al punteggio base ESG medio dell'universo di investimento dedicato alle obbligazioni sovrane.

La quota dell'universo di investimento dedicata ai titoli di Stato del portafoglio del Comparto è stata costruita basandosi sull'universo degli emittenti di titoli di Stato con dati storici relativi all'emissione dei titoli, ed escludendo gli emittenti di Paesi:

- senza debiti insoluti attuali;
- registrati come sanzionati dall'Office of Foreign Assets Control degli Stati Uniti ("US OFAC"), dall'Unione europea ("UE") o dalle Nazioni Unite ("ONU");
- che non avevano emesso debito denominato in Euro o in dollari USA e non avevano un'entità di custodia locale che soddisfi i requisiti legali e normativi applicabili al Comparto e ai suoi partner di custodia; e
- qualsiasi Paese in cui la proprietà estera di obbligazioni sovrane non fosse consentita o non fosse ragionevolmente praticabile a causa di restrizioni legali o normative.

La porzione dell'universo di investimento del portafoglio del Comparto dedicata ai titoli di Stato sovranazionali è costituita da emittenti che presentavano rating ESG assegnati da MSCI.

Il punteggio ESG medio ponderato del Comparto è stato di 64,33 mentre il punteggio ESG medio dell'universo di investimento è stato di 53,89.

Non è stato fissato alcun indice di riferimento per il rispetto delle caratteristiche ambientali e/o sociali promosse.

A tale riguardo, al 30 giugno 2023, il Comparto aveva allocato il 89,66% del suo patrimonio a investimenti allineati con le caratteristiche E/S.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Gli indicatori di sostenibilità hanno avuto l'andamento previsto. I valori indicati sotto si riferiscono al 30 giugno 2023.

Nome KPI sostenibilità	Valore
La quota di emittenti sovrani che hanno esposizioni o legami con i settori e le ulteriori esclusioni	0,00%
La differenza di punteggio ESG tra il portafoglio del Comparto e l'universo d'investimento.	10,44

… e rispetto ai periodi precedenti?

Non pertinente in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non applicabile.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Nel periodo in esame, per gli emittenti sovrani e sovranazionali sono stati presi in considerazione i principali effetti negativi di seguito indicati (i "PAI"):

- **emissioni di gas serra; e**
- **violazioni sociali**

Le emissioni di gas a effetto serra dei Paesi oggetto di investimenti sono state monitorate attraverso i dati relativi all'intensità dei gas a effetto serra Scope 1.

Le violazioni sociali da parte dei Paesi oggetto di investimenti sono state monitorate nell'ambito dell'indice proprietario di valutazione degli aspetti ambientali, sociali e di governance ("ESG") di Franklin Advisers, Inc. ("Gestore del Portafoglio"), il Templeton Global Macro ESG Index ("TGM-ESGI"), con un esame da parte del Gestore del Portafoglio della solidità istituzionale, coesione sociale e stabilità e uguaglianza reddituale. In tal modo si mira inoltre a escludere in maniera esplicita i Paesi soggetti a sanzioni internazionali, incluse quelle imposte dall'ONU, dall'UE, o dall'OFAC statunitense.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:2022-07-01 - 2023-06-30.

I principali investimenti di questo Comparto, esclusi la liquidità e gli strumenti derivati, sono stati:

Investimenti più ampi	Settore	% del patrimonio	Paese
Japan	Titoli di Stato	12,88%	Giappone
Pemerintah Republik Indonesia	Titoli di Stato	8,51%	Indonesia
Republica Federativa do Brasil	Titoli di Stato	8,28%	Brasile
Government of the Republic of Korea	Titoli di Stato	7,70%	Corea del Sud
Statsministerens Kontor	Titoli di Stato	6,15%	Norvegia
THE BANK OF KOREA	Titoli di Stato	6,09%	Corea del Sud
United States of America	Titoli di Stato	5,91%	Stati Uniti
Republic of India	Titoli di Stato	5,68%	India
Republica de Colombia	Titoli di Stato	5,29%	Colombia
Kerajaan Malaysia	Titoli di Stato	3,80%	Malesia
Republic of Singapore	Titoli di Stato	3,72%	Singapore
Bundesrepublik Deutschland	Titoli di Stato	2,34%	Germania
Kingdom of Thailand	Titoli di Stato	2,17%	Thailandia
Estados Unidos Mexicanos	Titoli di Stato	2,02%	Messico
Commonwealth of Australia	Titoli di Stato	1,85%	Australia

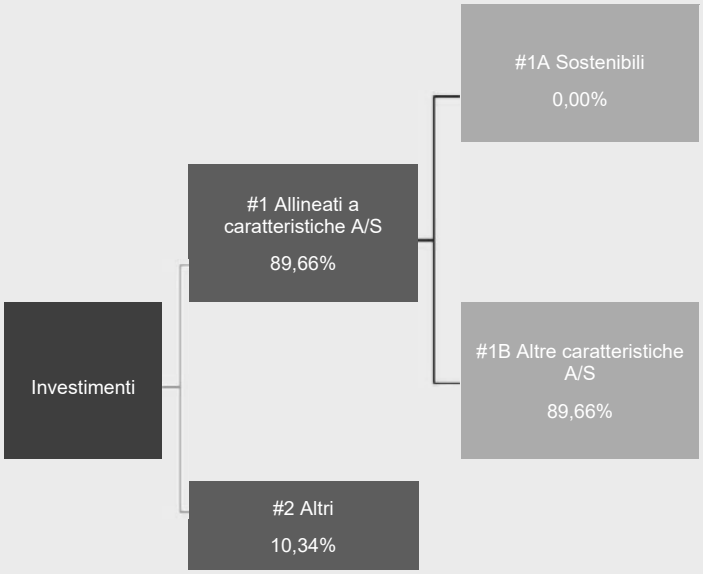
Qual è stata la quota degli investimenti in materia di sostenibilità?

La percentuale di investimenti sostenibili era pari a 0%.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

L'89,66% del portafoglio del Comparto era allineato alle caratteristiche E/S promosse dal Comparto. La parte restante (10,34%) non era allineata alle caratteristiche promosse e consisteva principalmente in attività liquide detenute a servizio delle esigenze quotidiane del Comparto e/o come garanzia per strumenti derivati e organismi di investimento collettivo in valori mobiliari e organismi di investimento collettivo per scopi di gestione della liquidità.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Al 30 giugno 2023, i principali settori e sottosettori del Comparto erano:

Settore principale	% del patrimonio
Titoli di Stato	89,66%
Liquidità	10,98%
Derivato	-0,64%

Sottosettore principale	% del patrimonio
Titoli di Stato	89,66%
Liquidità	10,98%
Derivato	-0,64%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Comparto non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

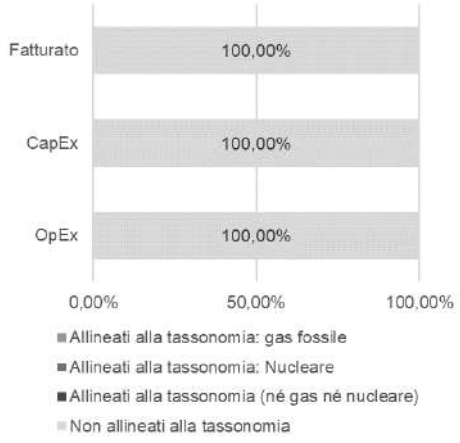
☐ In gas fossile ☐ In energia nucleare

☒ No

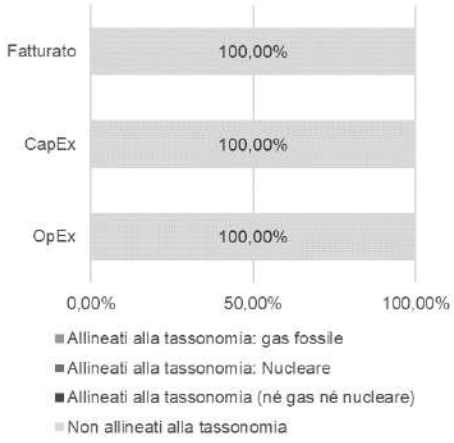
Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Il Comparto non ha investito in attività transitorie e abilitanti.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile.

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Non applicabile.

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile.

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "N. 2 Altro" era pari al 10,34% e comprendeva attività liquide detenute a servizio delle esigenze quotidiane del Comparto e/o come garanzia per derivati, per le quali non sono previste garanzie ambientali o sociali minime.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento, che esulano dalla discrezionalità del Gestore del Portafoglio, e che sono stati impiegati per soddisfare le caratteristiche ambientali e/o sociali, possono essere così sintetizzati:

- il Comparto ha escluso i Paesi e gli emittenti soggetti a sanzioni economiche internazionali, comprese quelle imposte dall'ONU, dall'UE o dall'OFAC statunitense;

- il Comparto ha escluso i titoli di Stato dei Paesi con le performance peggiori in ciascuna delle categorie ESG in base agli attuali punteggi proprietari dei Paesi, fino a quando le esclusioni non hanno raggiunto il 10% dell'universo d'investimento del Comparto dedicato alle obbligazioni sovrane; e

- il Comparto ha raggiunto una media ponderata del punteggio ESG di base delle obbligazioni sovrane (comprese le obbligazioni sovranazionali e anche il valore nozionale delle posizioni nette lunghe nei relativi derivati) nel portafoglio del Comparto superiore al punteggio base ESG medio dell'universo di investimento dedicato alle obbligazioni sovrane.

Ai fini della limitazione dell'universo di investimento si sono applicate innanzitutto le esclusioni basate sui Paesi soggetti a sanzioni internazionali. L'esclusione dei Paesi con i punteggi ESG peggiori si è applicata quindi al restante universo di investimento.

Le esclusioni dei Paesi con i punteggi più bassi sono state effettuate in maniera sequenziale, iniziando con l'eliminare il Paese con il valore peggiore secondo il punteggio ambientale del TGM-ESGI, per poi passare al Paese del restante universo di investimento con il punteggio sociale più basso, e infine eliminando il Paese con il punteggio di governance peggiore. Questo processo è stato ripetuto fino ad escludere il 10% dell'universo di investimento.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GAM Star Credit Opportunities (EUR) (the "Fund" or "Financial Product")
Legal entity identifier: 549300Q7O671NUXGIL66

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund as at 30 June 2023 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the following environmental and social characteristics:

1) Exclusion of companies involved in specific activities considered to cause negative environmental and/or social impact, as described in the Sustainability Exclusion Criteria detailed in the Fund Prospectus (the "Prospectus").,
2) Assessed adherence to generally accepted international norms and standards set by the United Nations Global Compact (UNGC),
3) Consideration of Principal Adverse Impacts ("PAIs") on sustainability factors as detailed in Table 1 of Annex I of the Commission Delegated Regulation (EU) 2022/ 1288 (the "SFDR Delegated Act"),
4) Investments in companies assessed to follow good governance practices, and
5) Engagement with investee companies on environmental, social and governance issues as described in the Prospectus.

The environmental and social characteristics were promoted in line with the binding elements of the investment strategy of the Fund, as outlined in the Prospectus. There were no breaches of the exclusion criteria.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

No reference benchmark was designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the environmental and/or social characteristics of the Fund.

1) **Indicators relating to Sustainability Exclusion Criteria**

Involvement in the following activities, beyond the revenue threshold specified, result in the investment being ineligible (other than where outlined in the GAM Sustainability Exclusions Policy). No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date[1]	Data coverage[2]	Data estimated[3]	Output[4]
Involvement in controversial weapons: share of investments in investee companies involved in the manufacture or selling of controversial weapons.	% of Fund	MSCI	30 June 2023	100%	0%	0%
Involvement in weapons manufacturing or weapons component manufacturing: share of investments in investee companies involved in the manufacture of military weapons systems, and/or tailor-made components of these weapons systems, and/or tailor-made products or services that support military weapons systems	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%

[1] Data snapshot taken at the Fund's year end. Sustainalytics and MSCI data as at 18th August 2023.

[2] Calculated as the proportion of investments (by NAV) for which data is available. The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. Where there is less than 100% coverage, this would be due to the third party provider not covering the issuer. We engage with service providers and companies directly with the objective of increasing data coverage and disclosure. More information about MSCI's coverage can be found here. More information about Sustainalytics coverage can be found here.

[3] Calculated as the proportion of investments (by NAV) for which data is estimated. The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. MSCI data methodology can be found here. Information on Sustainalytics product involvement can be found here.

[4] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus.

(above 10% revenue threshold).						
Involvement in assault weapons for civilian customers: share of investments in investee companies involved in the manufacture and sale of assault weapons to civilian customers (above 10% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%
Involvement in tobacco manufacturing: share of investments in investee companies involved in the manufacture of tobacco products (above 5% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%
Involvement in tobacco retail and distribution: share of investments in investee companies involved in the distribution and/or retail sale of tobacco products (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%
Involvement in oil sands extraction: share of investments in companies involved in oil sands extraction (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%
Involvement in thermal coal: Share of investments in companies involved in mining thermal coal or from generating electricity from thermal coal (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	91.91%	0%	0%

2) Indicators relating to international norms and standards

Investee companies are expected to adhere to minimum international norms and standards as defined by the UN Global Compact (as defined in the Prospectus). Investee companies assessed as having seriously breached the UN Global Compact are excluded, unless the issuer is considered to have taken substantial and adequate steps to have addressed the allegations.

No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[5]
Violations of UN Global Compact principles (also related to Principal Adverse Impacts): share of investments in investee companies that have been involved in violations of the UNGC principles.	% of Fund	MSCI	30 June 2023	100%	0%	0%

3) Indicators relating to Principal Adverse Impacts

The Investment Manager applied an internal framework to consider and, where considered appropriate, take action to mitigate principal adverse impacts on sustainability factors.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[6]
Scope 1 & Scope 2 Greenhouse gas (GHG) emissions: Absolute greenhouse gas emissions associated with a portfolio, expressed in tons CO2 equivalent	**tons CO2 equivalent**	MSCI	30 June 2023	100%	0%	12,832.0
Investments in companies active in fossil fuel sector: share of investments in companies active in the fossil fuel sector.	% of Fund	MSCI	30 June 2023	100%	0%	3.29%

[5] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. We use MSCI data to determine adherence to the UN Global Compact. For this data point, we are specifically looking at whether a company is deemed to 'Fail' adhering to the underlying principles. More information on MSCI's approach can be found here.

[6] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. The was calculated using MSCI's 'SFDR Point-in-Time PASI Statement'. More information on MSCI's approach to Principal Adverse Impacts can be found here.

Gender diversity on the Board (**also related to good governance**): percentage of board members who are female. For companies with a two-tier board, the calculation is based on members of the Supervisory Board only.	Weighted average %	MSCI	30 June 2023	100%	0%	39.86%

4) Indicators relating to good governance

The investment strategy incorporates a principles-based approach when assessing good governance. The assessment informs investment decisions and is used by the Investment Manager to satisfy itself that good governance practices are in place when selecting investments for the Fund. In addition, the assessment is conducted on an ongoing basis to inform voting decisions and engagement activity.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[7]
Board independence: the percentage of board members that meet GAM's criteria for independent management, as measured by a third-party data provider. For companies with a two-tier board, the calculation is based on members of the Supervisory Board only.	Weighted average %	MSCI	30 June 2023	88.44%	0%	82.76%

5) Indicators relating to engagement activities

The investment strategy includes engagement activities with investee companies on environmental, social and governance issues as part of interactions with management, including engagements following sustainability controversies, PAI review and/or thematic engagement.

[7] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[8]
Engagement activity: Number of ESG-related engagement activities the Investment Manager was involved in as part of regular interactions with management, such as engagements following sustainability controversies and thematic engagement relating to the Fund*.	**Number of engagements**	Internal Log	1st July 2022 – 30th June 2023	100%	0%	31

…and compared to previous periods?

N/A. The Fund is not required to report against previous periodic reports until 2024 onwards.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable.

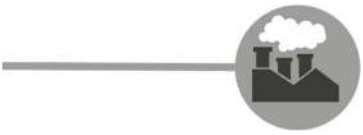
[8]This output is the total number of companies that the Investment Team engaged with that were held in the portfolio as at 30th June 2023. The Investment Team may have engaged with companies i) on more than one occasion, ii) for pre-investment due diligence, iii) throughout the reporting period which were sold prior to the 30th June 2023 and therefore will not be reflected here. There could also be cases when companies within the portfolio were engaged with by other investments teams that are part of GAM Holding AG where there is a cross-holding, these are also not reflected in this output.

*GAM's definition of engagement can be found in our Engagement Policy on our website.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

In accordance with the provisions of the Prospectus, the Fund considered principal adverse impacts (PAIs) on sustainability factors, as detailed in Table 1 and selected indicators from Tables 2 and/or 3 of Annex I of the SFDR Delegated Act, in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The actions taken in relation to the PAI indicators considered are summarised in the table below:

Indicators applicable to investments in investee companies

Adverse sustainability indicator		Fund consideration
Greenhouse gas emissions	1. GHG emissions	A range of indicators in relation to company GHG emissions and carbon emission reduction initiatives (including Scope 1 & Scope 2 GHG emissions among others) were reviewed as part of the investment process, and were primarily addressed in a qualitative way, for example through engagement with selected investee companies on reduction targets and initiatives or voting on resolutions to support greater transparency on climate-related risks. Investeee companies assessed to derive over 25% of revenue from thermal coal mining or electricity generation from thermal coal were excluded from the Fund.
	2. Carbon footprint	
	3. GHG Intensity of investee companies	
	4. Exposure to companies active in the fossil fuel sector	
	5. Share of non-renewable energy consumption and production	
	6. Energy consumption intensity per high impact climate sector	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Indicators in relation to an investee company's impact on biodiversity, including deforestation, water and waste, were reviewed as part of the investment process and were primarily addressed in a qualitative way, for example through engagement with selected companies.
Water	8. Emissions to water	
Waste	9. Hazardous waste and radioactive waste ratio	
Social and employee matters	10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	A range of PAI indicators were reviewed as part of the investment process. Investee companies assessed as severely violating UN Global Compact principles or assessed as having exposure to controversial weapons are excluded from the Fund. Board gender diversity was considered primarily within engagement and voting decisions.
	11. Lack of processes and compliance mechanisms to monitor compliance with UNGC priniples and OECD Guidelines for Multinational Enterprises	
	12. Unadjusted gender pay gap	
	13. Board gender diversity	
	14. Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)	

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30 June 2023

Largest Investments	Sector	% Assets	Country
ABN AMRO COC CASH COLLATERAL EUR	Cash	8.03%	Ireland
Banco Santander 4.375% Perp	Banks	4.97%	Spain
HSBC Holdings 4.75% Perp	Banks	4.75%	United Kingdom
Deutsche Bank 4% 2032-06-24	Financial Services	3.84%	Germany
Natwest Group 5.125% Perp	Banks	3.41%	United Kingdom
Stichting AK Rabobank Certificaten 6.5% Perp	Fixed Interest	3.37%	Netherlands
Banco Bilbao Vizcaya Argentaria 8.375% Perp	Banks	3.20%	Spain
Erste Group Bank 4.25% Perp	Banks	2.70%	Austria
Banco Santander 4.75% Perp	Banks	2.47%	Spain
Legal & General Group 5.625% Perp	Insurance	2.27%	United Kingdom
Commerzbank 6.5% Perp	Banks	2.15%	Germany
Standard Chartered 1.2% 2031-09-23	Banks	1.98%	United Kingdom
Societe Generale 7.875% Perp	Banks	1.89%	France
Commerzbank 6.125% Perp	Banks	1.84%	Germany
Banco Bilbao Vizcaya Argentaria 6% Perp	Banks	1.81%	Spain

The table above provides a snapshot of the largest investments as at 30 June 2023. This snapshot is reflective of the general portfolio composition throughout the reporting period.

The Global Industry Classification Standard is used to determine economic sectors.

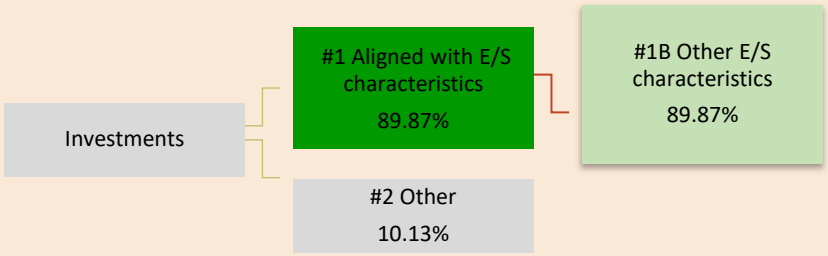
What was the proportion of sustainability-related investments?

N/A. Information on the proportion of the Fund which promoted environmental/social characteristics during the reference period is provided below.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

All assets excluding cash/cash equivalent instruments and/or certain derivatives are aligned with environmental/social characteristics of the Fund. As at 30 June 2023 (snapshot at year-end), 97.84% of the Fund attained the environmental and social characteristics promoted by the Fund, while 2.16% was in assets categorised as #2 Other in accordance with the Prospectus. Further details in relation to such assets is set out in the section entitled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?" below.



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

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, , e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

In which economic sectors were the investments made?

Sector	*Allocation*
Banks	50.80%
Fixed Interest	19.11%
Insurance	8.32%
Financial Services	5.30%
Real Estate	2.41%
Utilities	2.03%
Energy	1.31%
Telecommunication Services	0.43%
Transportation	0.13%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of "sustainable investments" within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, any investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation, including investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, are held on an incidental basis and is currently estimated to be <10% based on available data.

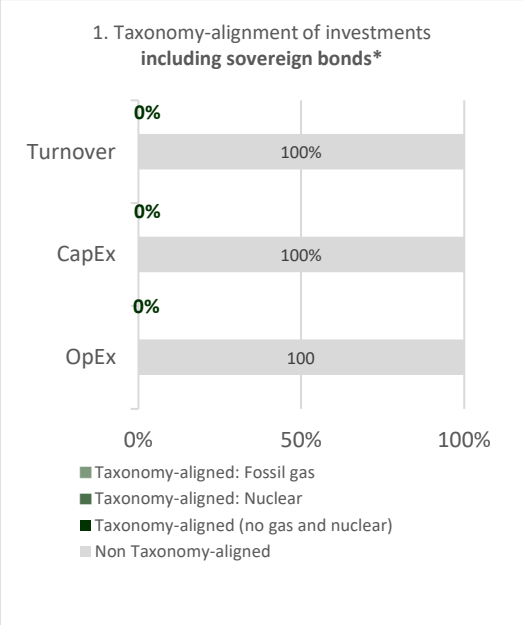
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy[9]?

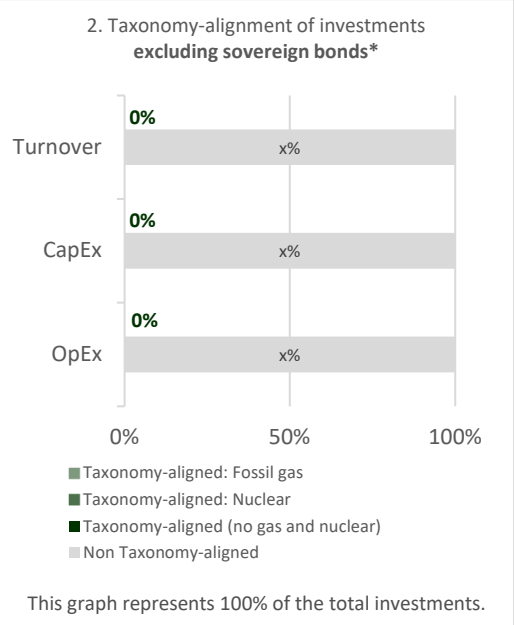
☐ **Yes**

☐ In fossil gas ☐ In nuclear energy

☒ **No**

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

[9] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other" invvestments of the Fund included [cash / cash equivalents and / or certain derivatives] for liquidity and efficient management of the Fund. An assessment of minimum environmental and social safeguards is deemed not to be relevant for cash and cash equivalents by nature of the asset class, nor derivatives where full look through is not possible.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

1. Actions relating to Sustainability Exclusion Criteria

The Sustainability Exclusion Criteria were assessed, on a best-efforts basis, as part of investment controlling, using Sustainalytics. There were no breaches of the Sustainability Exclusion Criteria during the reporting period

2. Actions relating to international norms and standards

UN Global Compact compliance was assessed, on a best-efforts basis, as part of investment controlling. The Investment Manager used third-party data providers' frameworks and data to categorise serious breaches, which were intended to identify credible allegations of a violation of global norms, supplemented by internal research where third-party data coverage was unavailable. There were no breaches of the UN Global Compact compliance during the period.

3. Actions relating to Principal Adverse Impacts on sustainability factors

The Fund considered principal adverse impacts (PAIs) on sustainability factors, as detailed in Table 1 and selected indicators from Tables 2 and/or 3 of Annex I of the SFDR Delegated Act, in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

Greenhouse gas emissions and involvement in fossil fuel sector – a range of indicators in relation to company GHG emissions and carbon emission reduction initiatives (including Scope 1 & Scope 2 GHG emissions among others) were reviewed as part of the investment process, and were primarily addressed in a qualitative way, for example through engagement with selected companies on reduction targets and initiatives or voting on resolutions to support greater transparency on climate-related risks. Companies assessed to derive over 25% of revenue from thermal coal mining or electricity generation from thermal coal were excluded from the Fund.

Biodiversity, water & waste – indicators in relation to a company's impact on biodiversity, including deforestation, water and waste, were reviewed as part of the investment process and were primarily addressed in a qualitative way, for example through engagement with selected companies

Social and employee matters – a range of PAI indicators were reviewed as part of the investment process. Companies assessed as severely violating UN Global Compact principles or assessed as having exposure to controversial weapons are excluded from the Fund. Board gender diversity was considered primarily within engagement and voting decisions.

4. Actions relating to good governance

The investment Manager incorporated a principles-based approach when assessing good governance. The assessment informed investment decisions and was used by the Investment Manager to satisfy itself that good governance practices were in place when selecting investments for the Fund. In addition, the assessment was conducted on an ongoing basis to inform voting decisions and engagement activity. This included consideration of board structure and independence, alignment of remuneration, transparency of ownership and control, audit and accounting. Good governance was assessed in a qualitative and/or quantitative way dependent on the relevance of the specific indicator.
This included:

- Sound management structures - including Board independence, Board diversity and audit committee independence
- Employee relations - in particular any serious breaches of UN Global Compact principles are excluded
- Remuneration of staff
- Tax compliance – in particular any companies flagged for significant tax violations

In addition, good governance was supported by ensuring companies adhere to minimum standards as defined by the ten principles of the United Nations Global Compact, which cover anti-corruption (Principle 10) and labour rights (Principles 3-6) and well as environmental governance (Principles 7-9).

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

5. Actions relating to engagement

Engagement was made on behalf of the Fund with investee companies on environmental, social and governance issues in line with their investment and due diligence process. Throughout the 12 month period, from 01/07/2022 to 30/06/2023, the investment team engaged with 31 companies relating to ESG and sustainability concerns or opportunities.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GAM Star European Equity (the "Fund" or "Financial Product")
Legal entity identifier: 549300TME4JJDOP4H631

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund as at 30 June 2023 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the following environmental and social characteristics:

1) Exclusion of companies involved in specific activities considered to cause negative environmental and/or social impact, as described in the Sustainability Exclusion Criteria detailed in the Fund Prospectus (the "Prospectus").,
2) Assessed adherence to generally accepted international norms and standards set by the United Nations Global Compact (UNGC),
3) Consideration of Principal Adverse Impacts ("PAIs") on sustainability factors as detailed in Table 1 of Annex I of the Commission Delegated Regulation (EU) 2022/ 1288 (the "SFDR Delegated Act"),
4) Investments in companies assessed to follow good governance practices, and
5) Engagement with investee companies on environmental, social and governance issues as described in the Prospectus.

The environmental and social characteristics were promoted in line with the binding elements of the investment strategy of the Fund, as outlined in the Prospectus. There were no breaches of the exclusion criteria.

No reference benchmark was designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the environmental and/or social characteristics of the Fund.

1) Indicators relating to Sustainability Exclusion Criteria

Involvement in the following activities, beyond the revenue threshold specified, result in the investment being ineligible (other than where outlined in the GAM Sustainability Exclusions Policy). No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date[1]	Data coverage[2]	Data estimated[3]	Output[4]
Involvement in controversial weapons: share of investments in investee companies involved in the manufacture or selling of controversial weapons.	% of Fund	MSCI	30 June 2023	100%	0%	0%
Involvement in weapons manufacturing or weapons component manufacturing: share of investments in investee companies involved in the manufacture of military weapons systems, and/or tailor-made components of these weapons systems, and/or tailor-made products or services that support military weapons systems (above 10% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%

[1] Data snapshot taken at the Fund's year end. Sustainalytics and MSCI data as at 18th August 2023.

[2] Calculated as the proportion of investments (by NAV) for which data is available. The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. Where there is less than 100% coverage, this would be due to the third party provider not covering the issuer. We engage with service providers and companies directly with the objective of increasing data coverage and disclosure. More information about MSCI's coverage can be found here. More information about Sustainalytics coverage can be found here.

[3] Calculated as the proportion of investments (by NAV) for which data is estimated. The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. MSCI data methodology can be found here. Information on Sustainalytics product involvement can be found here.

[4] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus.

Involvement in assault weapons for civilian customers: share of investments in investee companies involved in the manufacture and sale of assault weapons to civilian customers (above 10% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%
Involvement in tobacco manufacturing: share of investments in investee companies involved in the manufacture of tobacco products (above 5% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%
Involvement in tobacco retail and distribution: share of investments in investee companies involved in the distribution and/or retail sale of tobacco products (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%
Involvement in oil sands extraction: share of investments in companies involved in oil sands extraction (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%
Involvement in thermal coal: Share of investments in companies involved in mining thermal coal or from generating electricity from thermal coal (above 25% revenue threshold).	% of Fund	Sustainalytics	30 June 2023	100%	0%	0%

2) Indicators relating to international norms and standards

Investee companies are expected to adhere to minimum international norms and standards as defined by the UN Global Compact (as defined in the Prospectus). Investee companies assessed as having seriously breached the UN Global Compact are excluded, unless the issuer is considered to have taken substantial and adequate steps to have addressed the allegations.

No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[5]
Violations of UN Global Compact principles (also related to Principal Adverse Impacts): share of investments in investee companies that have been involved in violations of the UNGC principles.	% of Fund	MSCI	30 June 2023	100%	0%	0%

3) Indicators relating to Principal Adverse Impacts

The Investment Manager applied an internal framework to consider and, where considered appropriate, take action to mitigate principal adverse impacts on sustainability factors.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[6]
Scope 1 & Scope 2 Greenhouse gas (GHG) emissions: Absolute greenhouse gas emissions associated with a portfolio, expressed in tons CO2 equivalent	**tons CO2 equivalent**	MSCI	30 June 2023	100%	0%	22,619.4
Investments in companies active in fossil fuel sector: share of investments in companies active in the fossil fuel sector.	% of Fund	MSCI	30 June 2023	100%	0%	14.67%
Gender diversity on the Board (also related to good	Weighted	MSCI	30 June 2023	100%	0%	42.14%

[5] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. We use MSCI data to determine adherence to the UN Global Compact. For this data point, we are specifically looking at whether a company is deemed to 'Fail' adhering to the underlying principles. More information on MSCI's approach can be found here.

[6] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus. The was calculated using MSCI's 'SFDR Point-in-Time PASI Statement'. More information on MSCI's approach to Principal Adverse Impacts can be found here.

governance): percentage of board members who are female. For companies with a two-tier board, the calculation is based on members of the Supervisory Board only.	average %					

4) Indicators relating to good governance

The investment strategy incorporates a principles-based approach when assessing good governance. The assessment informs investment decisions and is used by the Investment Manager to satisfy itself that good governance practices are in place when selecting investments for the Fund. In addition, the assessment is conducted on an ongoing basis to inform voting decisions and engagement activity.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[7]
Board independence: the percentage of board members that meet GAM's criteria for independent management, as measured by a third-party data provider. For companies with a two-tier board, the calculation is based on members of the Supervisory Board only.	Weighted average %	MSCI	30 June 2023	100%	0%	82.27%

5) Indicators relating to engagement activities

The investment strategy includes engagement activities with investee companies on environmental, social and governance issues as part of interactions with management, including engagements following sustainability controversies, PAI review and/or thematic engagement.

[7] Calculated as the proportion of investment (by NAV). The calculation does not include non-equity assets defined under "#2 Other" in the Prospectus.

Sustainability Indicator	Units	Data source	Date	Data coverage	Data estimated	Output[8]
Engagement activity: Number of ESG-related engagement activities the Investment Manager was involved in as part of regular interactions with management, such as engagements following sustainability controversies and thematic engagement relating to the Fund*.	**Number of engagements**	Internal Log	1st July 2022 – 30th June 2023	100 %	0%	27

- ***…and compared to previous periods?***

N/A. The Fund is not required to report against previous periodic reports until 2024 onwards.

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not applicable

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Not applicable.

[8]This output is the total number of companies that the Investment Team engaged with that were held in the portfolio as at 30th June 2023. The Investment Team may have engaged with companies i) on more than one occasion, ii) for pre-investment due diligence, iii) throughout the reporting period which were sold prior to the 30th June 2023 and therefore will not be reflected here. There could also be cases when companies within the portfolio were engaged with by other investments teams that are part of GAM Holding AG where there is a cross-holding, these are also not reflected in this output.

*GAM's definition of engagement can be found in our Engagement Policy on our website.

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 Union criteria.

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

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



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

In accordance with the provisions of the Prospectus, the Fund considered principal adverse impacts (PAIs) on sustainability factors, as detailed in Table 1 and selected indicators from Tables 2 and/or 3 of Annex I of the SFDR Delegated Act, in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

The actions taken in relation to the PAI indicators considered are summarised in the table below:

Indicators applicable to investments in investee companies

Adverse sustainability indicator		Fund consideration
Greenhouse gas emissions	1. GHG emissions	A range of indicators in relation to company GHG emissions and carbon emission reduction initiatives (including Scope 1 & Scope 2 GHG emissions among others) were reviewed as part of the investment process, and were primarily addressed in a qualitative way, for example through engagement with selected investee companies on reduction targets and initiatives or voting on resolutions to support greater transparency on climate-related risks. Investeee companies assessed to derive over 25% of revenue from thermal coal mining or electricity generation from thermal coal were excluded from the Fund.
	2. Carbon footprint	
	3. GHG Intensity of investee companies	
	4. Exposure to companies active in the fossil fuel sector	
	5. Share of non-renewable energy consumption and production	
	6. Energy consumption intensity per high impact climate sector	
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Indicators in relation to an investee company's impact on biodiversity, including deforestation, water and waste, were reviewed as part of the investment process and were primarily addressed in a qualitative way, for example through engagement with selected companies.
Water	8. Emissions to water	
Waste	9. Hazardous waste and radioactive waste ratio	
Social and employee matters	10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	A range of PAI indicators were reviewed as part of the investment process. Investee companies assessed as severely violating UN Global Compact principles or assessed as having exposure to controversial weapons are excluded from the Fund. Board gender diversity was considered primarily within engagement and voting decisions.
	11. Lack of processes and compliance mechanisms to monitor compliance with UNGC priniples and OECD Guidelines for Multinational Enterprises	
	12. Unadjusted gender pay gap	
	13. Board gender diversity	
	14. Exposure to controversial weapons (anti- personnel mines,	

	cluster munitions, chemical weapons and biological weapons)	



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30 June 2023

Largest Investments	Sector	% Assets	Country
LVMH Moet Hennessy Louis Vuitton SE	Consumer Durables & Apparel	5.85%	France
Nestle	Food Beverage & Tobacco	5.65%	Switzerland
Novo Nordisk	Pharmaceuticals & Biotechnology	5.05%	Denmark
CaixaBank	Banks	4.07%	Spain
London Stock Exchange Group	Financial Services	3.98%	United Kingdom
National Grid	Utilities	3.76%	United Kingdom
Industria de Diseno Textil	Retailing	3.68%	Spain
Atlas Copco	Capital Goods	3.49%	Sweden
Ashtead Group	Capital Goods	3.39%	United Kingdom
Pernod Ricard	Food Beverage & Tobacco	3.28%	France
FinecoBank Banca Fineco	Banks	3.21%	Italy
ASM International	Semiconductors & Semiconductor Equipment	3.18%	Netherlands
New Linde	Materials	3.15%	United States

The table above provides a snapshot of the largest investments as at 30 June 2023. This snapshot is reflective of the general portfolio composition throughout the reporting period.

The Global Industry Classification Standard is used to determine economic sectors.



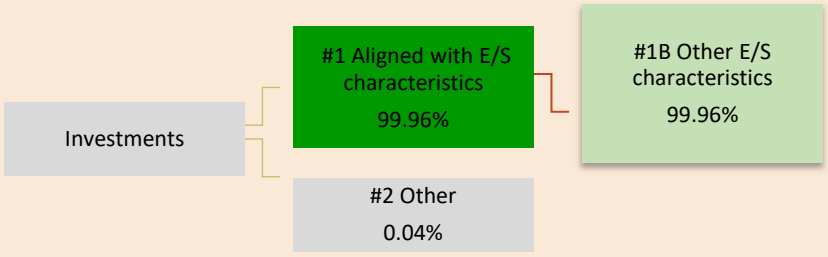
What was the proportion of sustainability-related investments?

N/A. Information on the proportion of the Fund which promoted environmental/social characteristics during the reference period is provided below.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

All assets excluding cash/cash equivalent instruments and/or certain derivatives are aligned with environmental/social characteristics of the Fund. As at 30 June 2023 (snapshot at year-end), 99.96% of the Fund attained the environmental and social characteristics promoted by the Fund, while 0.04% was in assets categorised as #2 Other in accordance with the Prospectus. Further details in relation to such assets is set out in the section entitled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?" below.



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

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, , e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

In which economic sectors were the investments made?

Sector	*Allocation*
Capital Goods	15.20%
Banks	14.38%
Food Beverage & Tobacco	11.20%
Energy	10.93%
Semiconductors & Semiconductor Equipment	8.85%
Pharmaceuticals & Biotechnology	8.24%
Financial Services	6.28%
Consumer Durables & Apparel	5.85%
Retailing	5.14%
Utilities	3.76%
Materials	3.15%
Transportation	3.05%
Insurance	1.99%
Commercial & Professional Services	0.94%
Health Care Equipment & Services	0.81%
Media & Entertainment	0.30%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of "sustainable investments" within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, any investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation, including investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, are held on an incidental basis and is currently estimated to be <10% based on available data.

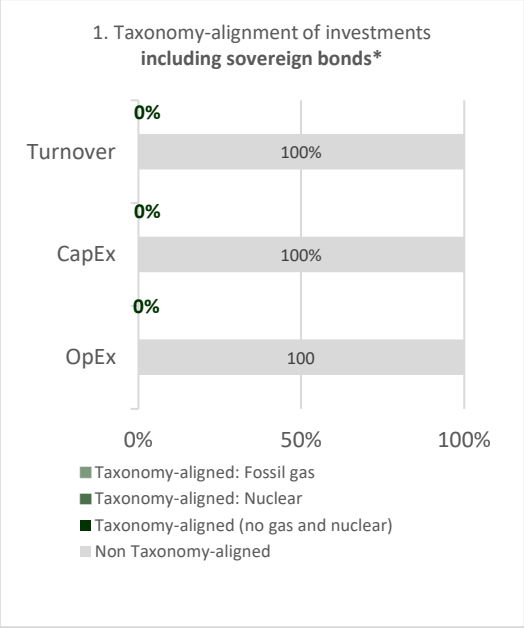
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy[9]?

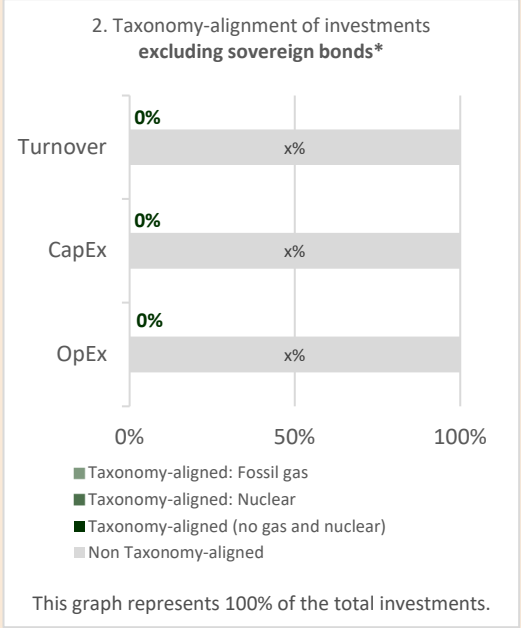
☐ **Yes**

☐ In fossil gas ☐ In nuclear energy

☒ **No**

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[9] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other" invvestments of the Fund included [cash / cash equivalents and / or certain derivatives] for liquidity and efficient management of the Fund. An assessment of minimum environmental and social safeguards is deemed not to be relevant for cash and cash equivalents by nature of the asset class, nor derivatives where full look through is not possible.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

1. Actions relating to Sustainability Exclusion Criteria

The Sustainability Exclusion Criteria were assessed, on a best-efforts basis, as part of investment controlling, using Sustainalytics. There were no breaches of the Sustainability Exclusion Criteria during the reporting period

2. Actions relating to international norms and standards

UN Global Compact compliance was assessed, on a best-efforts basis, as part of investment controlling. The Investment Manager used third-party data providers' frameworks and data to categorise serious breaches, which were intended to identify credible allegations of a violation of global norms, supplemented by internal research where third-party data coverage was unavailable. There were no breaches of the UN Global Compact compliance during the period.

3. Actions relating to Principal Adverse Impacts on sustainability factors

The Fund considered principal adverse impacts (PAIs) on sustainability factors, as detailed in Table 1 and selected indicators from Tables 2 and/or 3 of Annex I of the SFDR Delegated Act, in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

Greenhouse gas emissions and involvement in fossil fuel sector – a range of indicators in relation to company GHG emissions and carbon emission reduction initiatives (including Scope 1 & Scope 2 GHG emissions among others) were reviewed as part of the investment process, and were primarily addressed in a qualitative way, for example through engagement with selected companies on reduction targets and initiatives or voting on resolutions to support greater transparency on climate-related risks. Companies assessed to derive over 25% of revenue from thermal coal mining or electricity generation from thermal coal were excluded from the Fund.

Biodiversity, water & waste – indicators in relation to a company's impact on biodiversity, including deforestation, water and waste, were reviewed as part of the investment process and were primarily addressed in a qualitative way, for example through engagement with selected companies

Social and employee matters – a range of PAI indicators were reviewed as part of the investment process. Companies assessed as severely violating UN Global Compact principles or assessed as having exposure to controversial weapons are excluded from the Fund. Board gender diversity was considered primarily within engagement and voting decisions.

4. Actions relating to good governance

The investment Manager incorporated a principles-based approach when assessing good governance. The assessment informed investment decisions and was used by the Investment Manager to satisfy itself that good governance practices were in place when selecting investments for the Fund. In addition, the assessment was conducted on an ongoing basis to inform voting decisions and engagement activity. This included consideration of board structure and independence, alignment of remuneration, transparency of ownership and control, audit and accounting. Good governance was assessed in a qualitative and/or quantitative way dependent on the relevance of the specific indicator.
This included:

- Sound management structures - including Board independence, Board diversity and audit committee independence
- Employee relations - in particular any serious breaches of UN Global Compact principles are excluded
- Remuneration of staff
- Tax compliance – in particular any companies flagged for significant tax violations

In addition, good governance was supported by ensuring companies adhere to minimum standards as defined by the ten principles of the United Nations Global Compact, which cover anti-corruption (Principle 10) and labour rights (Principles 3-6) and well as environmental governance (Principles 7-9).

5. Actions relating to engagement

Engagement was made on behalf of the Fund with investee companies on environmental, social and governance issues in line with their investment and due diligence process. Throughout the 12 month period, from 01/07/2022 to 30/06/2023, the investment team engaged with 27 companies relating to ESG and sustainability concerns or opportunities.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GAM Star Global Rates (the "Fund") **Legal entity identifier:** ZVIMWIFXTC2J79D70175

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund as at 30 June 2023 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

1) **Environmental characteristics – a minimum threshold as measured by the Yale Environmental Performance Index (EPI) which assesses factors, including:**
   - Climate change (relating to mitigation efforts);
   - Environmental health (including waste management; heavy metals; sanitation and drinking water; air quality);
   - Ecosystem vitality (biodiversity and habitat; ecosystem services; fisheries; acid rain; agriculture; water resources).

More information on the Yale Environmental Performance Index (EPI) can be found on https://epi.yale.edu/

2) **Social characteristics – a minimum threshold as measured by the Freedom House Global Freedom Score, which assesses factors including:**
   - Political rights (including electoral process; political pluralism and participation; functioning of government);
   - civil liberties (including freedom of expression and belief; associational and organisational rights; rule of law; personal autonomy and individual rights).

More information on the Freedom House Global Freedom Score can be found on https://freedomhouse.org/

Goldman Sachs Asset Management

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2a, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa che beneficia degli investimenti segua prassi di buona governance.

Nome del prodotto:
Comparto Goldman Sachs Global CORE® Equity

Identificativo della persona giuridica:
CBSHN70011P7IWHG6F03

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario ha un obiettivo di investimento sostenibile?	
☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)__% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere o non essere allineati alla tassonomia.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Il Consulente dell'investimento ha implementato nel periodo di riferimento un approccio alle considerazioni ambientali, sociali e di governance (ESG) nel suo processo di investimento quantitativo come indicato di seguito (i "Criteri ESG"). Detto approccio si componeva di: (i) filtri di esclusione; (ii) uso di metriche climatiche per affrontare il rischio di transizione climatica come indicato di seguito.

Il Comparto ha promosso una transizione verso un'economia a basse emissioni di carbonio gestendo il rischio di transizione climatica rispetto al Comparto/Indice di riferimento tramite metriche climatiche proprietarie.

Dall'8 agosto 2022, nell'ambito del processo di investimento ESG, il Consulente dell'investimento evita di investire in società che, a suo giudizio, siano direttamente coinvolte e/o ricevano ricavi significativi dalle seguenti attività:

- produzione e/o coinvolgimento in armi controverse;
- estrazione, produzione o generazione di alcuni combustibili fossili (inclusi carbone termico e sabbie bituminose);
- produzione e/o coinvolgimento nel settore del tabacco

Dall'8 agosto 2022, il Comparto ha inoltre escluso dal relativo universo d'investimento tutte le società che secondo il Consulente dell'investimento violavano i dieci principi del Global Compact delle Nazioni Unite (principi di sostenibilità aziendale ampiamente riconosciuti che soddisfano le responsabilità fondamentali nei settori dei diritti umani, del lavoro, dell'ambiente e della lotta alla corruzione).

Qual è stata la prestazione degli indicatori di sostenibilità?

Il Comparto ha utilizzato indicatori di sostenibilità per misurare il raggiungimento delle caratteristiche ambientali e/o sociali promosse dal Comparto. Questi indicatori di sostenibilità hanno avuto le seguenti prestazioni:

All'ultima data di ribilanciamento del novembre 2022, il rischio di transizione climatica del Comparto, basato sulle emissioni miste (c.d. "blended"), equivaleva a 52 tonnellate CO2e per milione di dollari di capitalizzazione di mercato e a 1.060 tonnellate CO2e per miliardo di dollari di capitalizzazione di mercato sulle emissioni interne (c.d. "embedded"). Il rischio di transizione climatica del Comparto/Indice di riferimento, basato sulle emissioni miste (c.d. "blended"), equivaleva a 69 tonnellate CO2e per milione di dollari di capitalizzazione di mercato e a 1.400 tonnellate CO2e per miliardo di dollari di capitalizzazione di mercato sulle emissioni interne (c.d. "embedded").

Inoltre, nel periodo in esame, le emissioni blended ed embedded erano sempre inferiori al Comparto/Indice di riferimento al momento dell'operazione.
Dall'8 agosto 2022, lo 0% delle società del Comparto è stato direttamente impegnato in e/o ha ottenuto ricavi significativi da:

- produzione e/o coinvolgimento in armi controverse;
- estrazione, produzione o generazione di alcuni combustibili fossili (inclusi carbone termico e sabbie bituminose);
- produzione e/o coinvolgimento nel settore del tabacco

Dall'8 agosto 2022, il Consulente dell'investimento ha ritenuto che lo 0% delle società nel Comparto violassero i dieci principi del Global Compact delle Nazioni Unite.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile; il Comparto non ha fornito informazioni in merito all'uso degli indicatori di sostenibilità sopra menzionati durante i periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Durante il periodo di riferimento, il Comparto non si è impegnato a rispettare una percentuale minima di investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?
Durante il periodo di riferimento questo Comparto ha considerato i principali impatti negativi sui fattori di sostenibilità (PAI) attraverso i pilastri ambientali e/o sociali. I PAI sono presi in considerazione qualitativamente applicando i criteri ESG vincolanti descritti nel Prospetto. Su una base non vincolante e di rilevanza, i PAI vengono considerati anche attraverso un impegno specifico a livello aziendale e di team di investimento. I PAI considerati da questo Comparto includevano:

PAI CATEGORIA	PAI
PAI obbligatorio	• Emissioni di gas a effetto serra • Impronta di carbonio • Intensità di gas a effetto serra delle imprese beneficiarie degli investimenti • Esposizione a società attive nel settore dei combustibili fossili • Attività che incidono negativamente sulle aree sensibili alla biodiversità

	• Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) per le imprese multinazionali • Mancanza di processi e meccanismi di compliance per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE per le imprese multinazionali • Divario retributivo di genere non rettificato • Diversità di genere nel consiglio di amministrazione • Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)
PAI climatici non obbligatori	• Investimenti in aziende senza iniziative di riduzione delle emissioni di carbonio • Degrado del suolo, desertificazione, impermeabilizzazione dei suoli • Investimenti in imprese prive di pratiche o politiche agricole o di utilizzo dei suoli sostenibili • Specie naturali e aree protette • Deforestazione • Quota di rifiuti non riciclati
PAI sociali non obbligatori	• Tasso di incidenti • Numero di giorni persi a causa di lesioni, incidenti, decessi o malattia • Numero di casi di discriminazione • Numero di casi di discriminazione che hanno portato a sanzioni • Eccessiva percentuale di utili distribuiti al CEO • Investimenti in imprese senza politiche di prevenzione degli infortuni sul lavoro

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 01/12/2021 - 30/11/2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
APPLE INC	Produzione manifatturiera	3,33%	Stati Uniti
MICROSOFT CORP	Informazione e comunicazione	2,23%	Stati Uniti
AMAZON.COM INC	Commercio all'ingrosso e al dettaglio; riparazione di veicoli a motore e motocicli	1,61%	Stati Uniti
ALPHABET INC - CL C	Informazione e comunicazione	1,30%	Stati Uniti
BROADCOM INC	Produzione manifatturiera	1,22%	Stati Uniti
ROCHE HOLDING AG GENUSSCHEIN	Produzione manifatturiera	1,21%	Svizzera
AUTOZONE INC	Commercio all'ingrosso e al dettaglio; riparazione di veicoli a motore e motocicli	1,18%	Stati Uniti
ELEVANCE HEALTH INC	Attività finanziarie e assicurative	1,17%	Stati Uniti
BERKSHIRE HATHAWAY INC - CL B	Attività finanziarie e assicurative	1,12%	Stati Uniti
ADOBE INC	Informazione e comunicazione	1,07%	Stati Uniti
VERISIGN INC	Informazione e comunicazione	1,05%	Stati Uniti
CIE FINANCIERE RICHEMO A REG	Produzione manifatturiera	1,05%	Svizzera
BAYER AG REG	Produzione manifatturiera	1,03%	Germania
VERTEX PHARMACEUTICALS INC	Produzione manifatturiera	1,02%	Stati Uniti
MONDELEZ INTERNATIONAL INC A	Produzione manifatturiera	1,00%	Stati Uniti

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

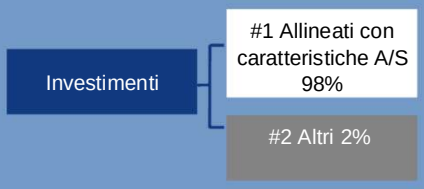
Al 30 novembre 2022, almeno il 98% degli investimenti era allineato alle caratteristiche ambientali e/o sociali promosse da questo Comparto.

Nel periodo di riferimento, il Comparto è stato esposto a una serie di settori economici, come indicato più avanti.

Qual è stata l'allocazione degli attivi?

Al 30 novembre 2022, almeno il 98% degli investimenti era allineato alle caratteristiche ambientali e/o sociali promosse da questo Comparto. Il 2% era detenuto in liquidità e mezzi equivalenti.

Nel periodo di riferimento, almeno il 90% degli investimenti del Comparto è stato costantemente allineato con le caratteristiche ambientali e/o sociali sopra descritte.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sottosettore	% del NAV al 30 novembre 2022
Attività ricettive e ristorazione	Alberghi e alloggi simili	0,42%
	Ristoranti e attività di ristorazione mobile	0,29%
Attività amministrative e servizi di supporto	Noleggio e leasing di altri macchinari, attrezzature e beni materiali	0,78%
	Leasing di proprietà intellettuale e prodotti simili, ad eccezione delle opere protette da copyright	0,44%
	Altri servizi di prenotazione e attività correlate	0,03%
Arte, intrattenimento e ricreazione	Tempo libero e attività ricreative	0,44%
Costruzione	Costruzione di edifici residenziali e non residenziali	0,07%
Fornitura di elettricità, gas, vapore e aria condizionata	Generazione, trasmissione e distribuzione di energia elettrica	1,27%
	Produzione di gas; distribuzione di combustibili gassosi attraverso la rete	0,39%
Attività finanziarie e assicurative	Fondi fiduciari, fondi ed entità finanziarie analoghe	3,89%
	Intermediazione monetaria	3,5%
Attività finanziarie e assicurative	Assicurazioni	3,48%
	Altre attività inerenti i servizi finanziari, ad eccezione di assicurazioni e fondi pensione	2,69%

	Attività ausiliarie ai servizi finanziari, ad eccezione di assicurazioni e fondi pensione	2,55%
	Attività di gestione fondi	1,83%
	Attività ausiliarie ad assicurazioni e fondi pensione	0,18%
	Fondi pensione	0,09%
	Riassicurazioni	0,02%
Attività legate alla salute umana e al lavoro sociale	Attività di pratica medica e dentale	2,41%
	Attività ospedaliere	0,57%
	Altre attività legate alla salute umana	0,04%
Informazione e comunicazione	Pubblicazione di software	4,46%
	Programmazione informatica, consulenza e attività correlate	4,45%
	Elaborazione dati, hosting e attività correlate; portali web	2,61%
	Attività di telecomunicazioni cablate	0,7%
	Pubblicazione di libri, periodici e altre attività editoriali	0,7%
	Attività di telecomunicazioni wireless	0,44%
Produzione manifatturiera	Produzione di preparati farmaceutici	9,98%
	Fabbricazione di apparecchiature di comunicazione	4,5%
	Fabbricazione di veicoli a motore	2,58%
	Fabbricazione di componenti e schede elettroniche	2,06%
	Produzione di bevande	2%
	Produzione di prodotti chimici di base, fertilizzanti e composti azotati, materie plastiche e gomma sintetica in forme primarie	1,97%
	Fabbricazione di strumenti ed apparecchi di misura, prova e navigazione; orologi e orologi a polso	1,76%
	Fabbricazione di gioielli, bigiotteria e articoli correlati	1,05%
	Fabbricazione di abbigliamento, ad eccezione dell'abbigliamento in pelliccia	1,03%
	Produzione di prodotti da forno e farinacei	1,03%
	Fabbricazione di apparecchiature per irradiazione, elettromedicali ed elettroterapiche	1,01%
	Fabbricazione di altre macchine per usi generici	0,88%
	Fabbricazione di articoli di carta e cartone	0,69%
	Fabbricazione di veicoli aerei e navicelle spaziali e macchinari connessi	0,67%
	Fabbricazione di carrozzerie per autoveicoli, rimorchi e semirimorchi	0,65%
Produzione manifatturiera	Concia e ravvivatura del cuoio; fabbricazione di bagagli, borse, selleria e briglie; ravvivatura e tintura di pellicce	0,6%
	Fabbricazione di altre macchine speciali	0,57%
	Riproduzione di supporti registrati	0,54%
	Fabbricazione di computer e di apparecchiature periferiche	0,5%

	Fabbricazione di macchine per la formatura di metalli e macchine utensili	0,48%
	Produzione di saponi e detergenti, di prodotti per la pulizia e la lucidatura, di profumi e di prodotti per la toletta	0,37%
	Produzione di prodotti petroliferi raffinati	0,35%
	Fabbricazione di altri prodotti di prima trasformazione dell'acciaio	0,23%
	Fabbricazione di altre apparecchiature elettriche	0,12%
	Produzione di altri prodotti chimici	0,12%
	Produzione di pitture, vernici e rivestimenti simili, inchiostri da stampa e mastici	0,11%
	Produzione di ferro e acciaio di base e di ferroleghe	0,11%
	Fabbricazione di parti ed accessori per veicoli a motore	0,09%
	Fabbricazione di macchinari per uso generale	0,09%
	Produzione di prodotti di grano, amidi e prodotti di amido	0,07%
	Produzione di altri prodotti alimentari	0,07%
	Fabbricazione di strumenti e forniture mediche e odontoiatriche	0,06%
	Fabbricazione di prodotti in gomma	0,05%
	Lavorazione e conservazione di carne e produzione di prodotti a base di carne	0,04%
	Fabbricazione di prodotti abrasivi e di prodotti minerali non metallici non classificati altrove	0,03%
	Fabbricazione di cablaggi e dispositivi di cablaggio	0,03%
	Produzione di metalli preziosi di base e di altri metalli non ferrosi	0,03%
	Produzione di pesticidi e altri prodotti agrochimici	0,03%
	Produzione di oli e grassi vegetali e animali	0,03%
	Fabbricazione di elettrodomestici	0,02%
	Fabbricazione di tubi, condutture, profilati cavi e relativi accessori in acciaio	0,02%
	Fabbricazione di motori elettrici, generatori, trasformatori e apparecchiature di distribuzione e controllo dell'elettricità	0,01%
Attività estrattive e di cavatura	Estrazione di petrolio greggio	4,08%
	Attività di sostegno all'estrazione di petrolio e gas naturale	0,47%
	Attività estrattive e di cavatura non classificate altrove	0,33%
	Estrazione di minerali di ferro	0,24%
Attività estrattive e di cavatura	Estrazione di minerali metallici non ferrosi	0,1%
	Cave di pietra, sabbia e argilla	0,09%
Non classificato	Non classificato	1,59%
Altre attività di assistenza	Altre attività di assistenza personale	0,08%
Attività professionali, scientifiche e tecniche	Ricerca e sviluppo sperimentale nel campo delle scienze naturali e dell'ingegneria	0,99%

	Pubblicità	0,54%
Attività immobiliari	Locazione e gestione di immobili propri o affittati	0,49%
Trasporto e stoccaggio	Trasporto ferroviario di merci	1,54%
	Trasporto marittimo e costiero di merci	1,01%
	Trasporto di merci su gomma e servizi di trasloco	0,55%
	Trasporto ferroviario di passeggeri, interurbano	0,48%
	Trasporto tramite pipeline	0,22%
Approvvigionamento idrico; sistemi fognari, gestione dei rifiuti e bonifica	Raccolta dei rifiuti	0,24%
Commercio all'ingrosso e al dettaglio; riparazione di veicoli a motore e motocicli	Vendita di ricambi e accessori per veicoli a motore	2,19%
	Vendita al dettaglio di altri beni in esercizi specializzati	2%
	Vendita al dettaglio in esercizi non specializzati	1,04%
	Commercio all'ingrosso di materie prime agricole e di animali vivi	0,96%
	Commercio all'ingrosso di generi alimentari, bevande e tabacco	0,96%
	Altre attività di commercio all'ingrosso specializzato	0,89%
	Vendita di veicoli a motore	0,6%
	Commercio al dettaglio non in negozi, bancarelle o mercati	0,56%
	Commercio all'ingrosso di beni per la casa	0,07%
	Commercio all'ingrosso di altri macchinari, attrezzature e forniture	0,07%

Goldman Sachs Asset Management

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese che beneficiano degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese che beneficiano degli investimenti

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività economiche per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

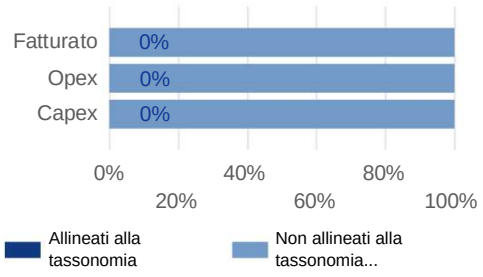
sono investimenti sostenibili con un obiettivo ambientale **che non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente alla tassonomia dell'UE.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

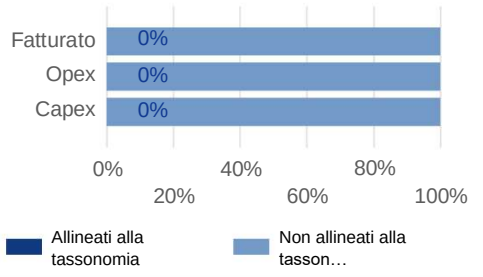
Nel periodo di riferimento, il Comparto non ha investito in "investimenti sostenibili" ai sensi della tassonomia dell'UE e pertanto il suo allineamento con la tassonomia era pari allo 0%.

I due grafici che seguono mostrano in azzurro la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

1. Investimenti allineati alla tassonomia comprese le obbligazioni sovrane*



2. Investimenti allineati alla tassonomia escluse le obbligazioni sovrane*



* Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Poiché il Comparto non ha effettuato "investimenti sostenibili" ai sensi della tassonomia dell'UE, anche la quota minima degli investimenti in attività transitorie e abilitanti ai sensi della tassonomia dell'UE era pari allo 0%.

Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non applicabile

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Nel periodo di riferimento, il Comparto ha promosso caratteristiche ambientali e sociali, ma non ha effettuato investimenti sostenibili. Di conseguenza, il Comparto non ha effettuato una quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE.

Qual era la quota di investimenti socialmente sostenibili?

Questa domanda non è applicabile in quanto il Comparto non ha effettuato investimenti socialmente sostenibili.

Quali investimenti erano compresi nella categoria «Altri», qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti compresi nella categoria "Altri" includono disponibilità liquide e mezzi equivalenti per scopi di liquidità. Questi investimenti sono stati utilizzati per raggiungere l'obiettivo di investimento del Comparto, ma non promuovono le caratteristiche ambientali o sociali del Comparto, né possono essere considerati investimenti sostenibili.

Questi strumenti finanziari non sono stati soggetti ad alcuna garanzia minima di salvaguardia ambientale o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Consulente dell'investimento ha intrapreso azioni per garantire che le caratteristiche ambientali e/o sociali del Comparto fossero raggiunte durante il periodo di riferimento. Gli indicatori di sostenibilità del Comparto sono stati misurati e valutati su base continuativa.

GSAM si è avvalsa di società proprietarie e di sistemi di terzi per monitorare la conformità alle caratteristiche ambientali o sociali vincolanti del Comparto contenute nelle linee guida d'investimento, in linea con la Politica sulle linee guida d'investimento di GSAM.

Eventuali violazioni o errori relativi alle linee guida d'investimento (incluse violazioni o errori relativi alle caratteristiche ambientali o sociali vincolanti e agli impegni minimi di investimento sostenibile del Comparto) sono stati gestiti in conformità con la Policy sulle violazioni e gli errori di Goldman Sachs Asset Management Fund Services Limited ("GSAMFSL") e la Policy sulla gestione degli errori di GSAM, conformemente alla quale i dipendenti sono altresì tenuti a segnalare tempestivamente eventuali incidenti (derivanti da azioni o inazioni) ai propri supervisori in GSAM e alla divisione Compliance di GSAM. Le informazioni raccolte nel processo di segnalazione degli incidenti servono a garantire che i clienti siano adeguatamente compensati, a migliorare le pratiche aziendali e a prevenire altri eventi simili.

Inoltre, il Consulente dell'investimento si avvale delle iniziative di impegno del team Global Stewardship di Goldman Sachs Asset Management con riferimento al Comparto. Il team Global Stewardship di Goldman Sachs Asset Management si è concentrato su un impegno proattivo e basato sui risultati, nel tentativo di promuovere le Best practice. Le iniziative di impegno vengono continuamente riviste, migliorate e monitorate per garantire che incorporino le problematiche attuali e l'evoluzione dei pareri su argomenti chiave relativi a ambiente, società e governance. Per guidare le iniziative di impegno, il team Global Stewardship di Goldman Sachs Asset Management crea una Focus List annuale, che rifletterà le priorità tematiche del team Global Stewardship di Goldman Sachs Asset Management e guiderà le iniziative di voto e impegno.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non è stato designato alcun indice di riferimento allo scopo di ottenere le caratteristiche ambientali o sociali promosse dal Comparto.

Goldman Sachs Asset Management

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2a, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa che beneficia degli investimenti segua prassi di buona governance.

Nome del prodotto:
Comparto Goldman Sachs Global Environmental Impact Equity

Identificativo della persona giuridica:
549300K2E2ZKUPXPFF25

Caratteristiche ambientali e/o sociali

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere o non essere allineati alla tassonomia.

Questo prodotto finanziario ha un obiettivo di investimento sostenibile?	
☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:**__%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)__% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:**__%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Il Consulente dell'investimento implementa un approccio alle considerazioni ambientali, sociali e di governance (ESG) nel suo processo di investimento fondamentale, che consiste in filtri di esclusione come esposto di seguito (i "Criteri ESG").

Nell'ambito del processo di investimento ESG, il Consulente dell'investimento ha evitato di investire in società che, a suo parere, erano direttamente coinvolte e/o che ricevevano ricavi significativi dalle seguenti attività che, alla data di stesura del Prospetto informativo, comprendevano:

- armi controverse (comprese le armi nucleari);
- estrazione e/o produzione di alcuni combustibili fossili (compresi il carbone termico, le sabbie bituminose, il petrolio e il gas dell'Artico);
- tabacco;
- intrattenimento per adulti;
- carceri a scopo di lucro;
- armi da fuoco civili.

A decorrere dal 1° gennaio 2023, il Comparto si è impegnato a promuovere ulteriori caratteristiche ambientali e/o sociali su base vincolante. Per ulteriori dettagli, consultare l'attuale Prospetto informativo del Comparto.

Qual è stata la prestazione degli indicatori di sostenibilità?

Il Comparto ha utilizzato indicatori di sostenibilità per misurare il raggiungimento delle caratteristiche ambientali e/o sociali promosse dal Comparto. Questi indicatori di sostenibilità hanno avuto le seguenti prestazioni:

Lo 0% delle società del Comparto è stato direttamente impegnato in e/o ha ottenuto ricavi significativi da:
• armi controverse (comprese le armi nucleari);
• estrazione e/o produzione di alcuni combustibili fossili (compresi il carbone termico, le sabbie bituminose, il petrolio e il gas dell'Artico);
• tabacco;
• intrattenimento per adulti;
• carceri a scopo di lucro;
• armi da fuoco civili

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

...e rispetto ai periodi precedenti?

Non applicabile; il Comparto non ha fornito informazioni in merito all'uso degli indicatori di sostenibilità sopra menzionati durante i periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Durante il Periodo di riferimento, il Comparto non si è impegnato a rispettare una percentuale minima di investimenti sostenibili. Tuttavia, a decorrere dal 1° gennaio 2023, il Comparto ha assunto un impegno minimo pari al 80% di investimenti sostenibili determinato in riferimento al Sustainable Investment Framework del Consulente dell'investimento. Per ulteriori informazioni, consultare il prospetto informativo del Comparto.

La tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Durante il periodo di riferimento questo Comparto ha considerato i principali impatti negativi sui fattori di sostenibilità (PAI) attraverso i pilastri ambientali e/o sociali. I PAI sono presi in considerazione qualitativamente applicando i criteri ESG vincolanti descritti nel Prospetto. Su una base non vincolante e di rilevanza, i PAI vengono considerati anche attraverso un impegno specifico a livello aziendale e di team di investimento. I PAI considerati da questo Comparto includevano:

PAI CATEGORIA	PAI
PAI obbligatorio	• Emissioni di gas a effetto serra • Impronta di carbonio • Intensità di gas a effetto serra delle imprese beneficiarie degli investimenti • Esposizione a società attive nel settore dei combustibili fossili • Consumo di energia da fonti non rinnovabili • Produzione di energia da fonti non rinnovabili • Intensità del consumo energetico per settore climatico ad alto impatto • Attività che incidono negativamente sulle aree sensibili alla biodiversità • Emissioni in acqua • Rifiuti pericolosi • Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida

	dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) per le imprese multinazionali • Mancanza di processi e meccanismi di compliance per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE per le imprese multinazionali • Divario retributivo di genere non rettificato • Diversità di genere nel consiglio di amministrazione • Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)
PAI climatici non obbligatori	• Investimenti in aziende senza iniziative di riduzione delle emissioni di carbonio • Degrado del suolo, desertificazione, impermeabilizzazione dei suoli • Investimenti in imprese prive di pratiche o politiche agricole o di utilizzo dei suoli sostenibili • Specie naturali e aree protette • Deforestazione • Quota di rifiuti non riciclati
PAI sociali non obbligatori	• Tasso di incidenti • Numero di giorni persi a causa di lesioni, incidenti, decessi o malattia • Numero di casi di discriminazione • Numero di casi di discriminazione che hanno portato a sanzioni • Eccessiva percentuale di utili distribuiti al CEO • Investimenti in imprese senza politiche di prevenzione degli infortuni sul lavoro

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 01/12/2021 - 30/11/2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
IBERDROLA SA	Fornitura di elettricità, gas, vapore e aria condizionata	4,15%	Spagna
NEXTERA ENERGY INC	Fornitura di elettricità, gas, vapore e aria condizionata	4,07%	Stati Uniti
DANAHER CORP	Produzione manifatturiera	3,81%	Stati Uniti
ENEL SPA	Fornitura di elettricità, gas, vapore e aria condizionata	3,56%	Italia
SCHNEIDER ELECTRIC SE	Produzione manifatturiera	3,47%	Francia
NESTE OYJ	Produzione manifatturiera	3,36%	Finlandia
ECOLAB INC	Costruzione	3,29%	Stati Uniti
INFINEON TECHNOLOGIES AG	Produzione manifatturiera	3,23%	Germania
KONINKLIJKE DSM NV	Produzione manifatturiera	3,08%	Paesi Bassi
XYLEM INC	Produzione manifatturiera	2,88%	Stati Uniti
WESTROCK CO	Produzione manifatturiera	2,83%	Stati Uniti
BALL CORP	Produzione manifatturiera	2,81%	Stati Uniti
DAIKIN INDUSTRIES LTD	Produzione manifatturiera	2,76%	Giappone
TRANE TECHNOLOGIES PLC	Produzione manifatturiera	2,48%	Irlanda
APTIV PLC	Produzione manifatturiera	2,40%	Irlanda

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

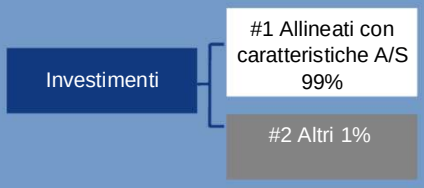
Al 30 novembre 2022, almeno il 99% degli investimenti era allineato alle caratteristiche ambientali e/o sociali promosse da questo Comparto.

Nel periodo di riferimento, il Comparto è stato esposto a una serie di settori economici, come indicato più avanti.

Qual è stata l'allocazione degli attivi?

Al 30 novembre 2022, almeno il 99% degli investimenti era allineato alle caratteristiche ambientali e/o sociali promosse da questo Comparto. L'1% era detenuto in liquidità e in strumenti derivati.

Nel periodo di riferimento, almeno il 90% degli investimenti del Comparto è stato costantemente allineato con le caratteristiche ambientali e/o sociali sopra descritte.



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Sottosettore	% del NAV al 30 novembre 2022
Costruzione	Realizzazione di progetti di pubblica utilità	3,29%
Fornitura di elettricità, gas, vapore e aria condizionata	Generazione, trasmissione e distribuzione di energia elettrica	13,37%
Informazione e comunicazione	Pubblicazione di software	0,91%
Produzione manifatturiera	Fabbricazione di strumenti ed apparecchi di misura, prova e navigazione; orologi e orologi a polso	9,1%
	Produzione di prodotti chimici di base, fertilizzanti e composti azotati, materie plastiche e gomma sintetica in forme primarie	7,6%
Produzione manifatturiera	Fabbricazione di componenti e schede elettroniche	6,72%
	Fabbricazione di altre macchine per usi generici	5,24%
	Fabbricazione di articoli di carta e cartone	5,08%
	Fabbricazione di motori elettrici, generatori, trasformatori e apparecchiature di distribuzione e controllo dell'elettricità	5,08%
	Fabbricazione di altre apparecchiature elettriche	4,61%
	Fabbricazione di macchinari per uso generale	3,94%
	Fabbricazione di cablaggi e dispositivi di cablaggio	3,47%

	Produzione di prodotti petroliferi raffinati	3,36%
	Produzione di altri prodotti alimentari	3,16%
	Realizzazione di altri prodotti metallici fabbricati	2,81%
	Fabbricazione di parti ed accessori per veicoli a motore	2,4%
	Produzione di altri prodotti chimici	2,24%
	Fabbricazione di tubi, condutture, profilati cavi e relativi accessori in acciaio	2,2%
	Fabbricazione di batterie e accumulatori	1,71%
	Produzione di vetro e prodotti in vetro	1,55%
	Lavorazione e conservazione di carne e produzione di prodotti a base di carne	1,43%
	Fabbricazione di prodotti metallici strutturali	0,98%
	Fabbricazione di altre macchine speciali	0,81%
	Produzione di prodotti lattiero-caseari	0,43%
	Finitura tessile	0,26%
	Fabbricazione di prodotti in plastica	0,1%
Attività estrattive e di cavatura	Attività estrattive e di cavatura non classificate altrove	1,14%
Non classificato	Non classificato	0,23%
Approvvigionamento idrico; sistemi fognari, gestione dei rifiuti e bonifica	Raccolta dei rifiuti	3,87%
	Fognature	2,4%

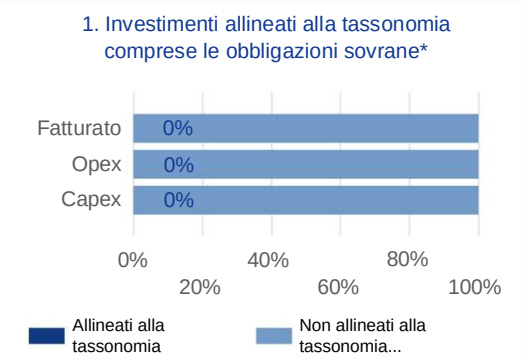
Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese che beneficiano degli investimenti, ad es. per la transizione verso un'economia verde
- **spese operative** (OpEx): attività operative verdi delle imprese che beneficiano degli investimenti

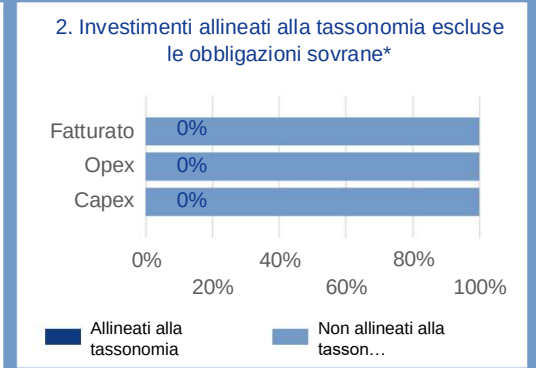
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività economiche per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Nel periodo di riferimento, il Comparto non ha investito in "investimenti sostenibili" ai sensi della tassonomia dell'UE e pertanto il suo allineamento con la tassonomia era pari allo 0%.

I due grafici che seguono mostrano in azzurro la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l' allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





* Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Poiché il Comparto non ha effettuato "investimenti sostenibili" ai sensi della tassonomia dell'UE, anche la quota minima degli investimenti in attività transitorie e abilitanti ai sensi della tassonomia dell'UE era pari allo 0%.

Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non applicabile

sono investimenti sostenibili con un obiettivo ambientale **che non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente alla tassonomia dell'UE.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Nel periodo di riferimento, il Comparto ha promosso caratteristiche ambientali e sociali, ma non ha effettuato investimenti sostenibili. Di conseguenza, il Comparto non ha effettuato una quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE.

Qual era la quota di investimenti socialmente sostenibili?

Questa domanda non è applicabile in quanto il Comparto non ha effettuato investimenti socialmente sostenibili.

Quali investimenti erano compresi nella categoria «Altri», qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti compresi nella categoria "Altri" includono disponibilità liquide e mezzi equivalenti per scopi di liquidità e derivati (compresi, a titolo esemplificativo, futures su indici) per una gestione efficiente del portafoglio. Questi investimenti sono stati utilizzati per raggiungere l'obiettivo di investimento del Comparto, ma non promuovono le caratteristiche ambientali o sociali del Comparto, né possono essere considerati investimenti sostenibili.

Questi strumenti finanziari non sono stati soggetti ad alcuna garanzia minima di salvaguardia ambientale o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Consulente dell'investimento ha intrapreso azioni per garantire che le caratteristiche ambientali e/o sociali del Comparto fossero raggiunte durante il periodo di riferimento. Gli indicatori di sostenibilità del Comparto sono stati misurati e valutati su base continuativa.

GSAM si è avvalsa di società proprietarie e di sistemi di terzi per monitorare la conformità alle caratteristiche ambientali o sociali vincolanti del Comparto contenute nelle linee guida d'investimento, in linea con la Politica sulle linee guida d'investimento di GSAM.

Eventuali violazioni o errori relativi alle linee guida d'investimento (incluse violazioni o errori relativi alle caratteristiche ambientali o sociali vincolanti e agli impegni minimi di investimento sostenibile del Comparto) sono stati gestiti in conformità con la Policy sulle violazioni e gli errori di Goldman Sachs Asset Management Fund Services Limited ("GSAMFSL") e la Policy sulla gestione degli errori di GSAM, conformemente alla quale i dipendenti sono altresì tenuti a segnalare tempestivamente eventuali incidenti (derivanti da azioni o inazioni) ai propri supervisori in GSAM e alla divisione Compliance di GSAM. Le informazioni raccolte nel processo di segnalazione degli incidenti servono a garantire che i clienti siano adeguatamente compensati, a migliorare le pratiche aziendali e a prevenire altri eventi simili.

Inoltre, il Consulente dell'investimento si avvale delle iniziative di impegno del team Global Stewardship di Goldman Sachs Asset Management con riferimento al Comparto. Il team Global Stewardship di Goldman Sachs Asset Management si concentra su un impegno proattivo e basato sui risultati, nel tentativo di promuovere le Best practice. Le iniziative di impegno vengono continuamente riviste, migliorate e monitorate per garantire che incorporino le problematiche attuali e l'evoluzione dei pareri su argomenti chiave relativi a ambiente, società e governance. Per guidare le iniziative di impegno, il team Global Stewardship di Goldman Sachs Asset Management crea una Focus List annuale, che rifletterà le priorità tematiche del team Global Stewardship di Goldman Sachs Asset Management e guiderà le iniziative di voto e impegno.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non è stato designato alcun indice di riferimento allo scopo di ottenere le caratteristiche ambientali o sociali promosse dal Comparto.

Product name:Invesco Asia Asset Allocation Fund

Legal entity identifier: 549300222HFSD3ZKQL92

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Asia Asset Allocation Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	4,146.66	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		1,770.90	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		32,231.42	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		38,148.98	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	255.65	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	944.88	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	91.36	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	4.54	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0.07	
	Electricity, Gas, Steam & Air Conditioning Supply	0.37	
	Manufacturing	1.16	
	Mining & Quarrying	2.03	
	Real Estate Activities	0.43	
	Transportation & Storage	3.93	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.06	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	0.28	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.24	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	0.67	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	6.22	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	14.08	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	0.00	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	14.83	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	4.35%	Taiwan
Tencent Holdings Ltd	Communication Services	3.24%	Cayman Islands
Invesco Liquidity Funds plc – Invesco US Dollar Liquidity Portfolio	Cash	3.20%	Ireland
Samsung Electronics Co Ltd	Information Technology	2.56%	Korea (Democratic People's Republic of Korea)
United States Treasury Bill 0% USD 07/03/2023	Sovereign	2.53%	United States
Alibaba Group Holding Ltd	Consumer Discretionary	2.22%	Cayman Islands
AIA Group Ltd	Financials	1.73%	Hong Kong
Hong Kong Exchanges & Clearing Ltd	Financials	1.15%	Hong Kong
Meituan 144A	Consumer Discretionary	1.13%	Cayman Islands
JD.com Inc	Consumer Discretionary	1.05%	Cayman Islands
NetEase Inc	Communication Services	1.03%	Cayman Islands
CICC Hong Kong Finance 2016 MTN Ltd 2% USD 26/01/2026	Financials	0.92%	United Kingdom
Yunda Holding Investment Ltd 2.25% USD 19/08/2025	Industrials	0.92%	United Kingdom
Hutama Karya Persero PT 3.75% USD 11/05/2030	Industrials	0.91%	Indonesia
Baidu Inc	Communication Services	0.90%	Cayman Islands



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

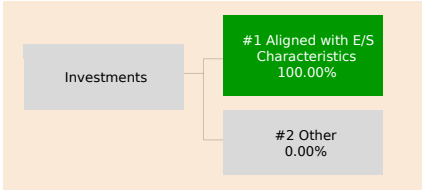
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund’s investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds that are not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	29.27
Information Technology	13.32
Consumer Discretionary	10.70
Communication Services	9.50
Industrials	9.47
Real Estate	4.17
Consumer Staples	3.26
Energy	2.98
Materials	2.70
Utilities	2.45
Health Care	2.26
Sovereign	6.32
Cash	3.60
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	0.44
10102020	Oil & Gas Exploration & Production	0.73
10102030	Oil & Gas Refining & Marketing	1.81
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**2.98**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of

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

2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **0.52**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

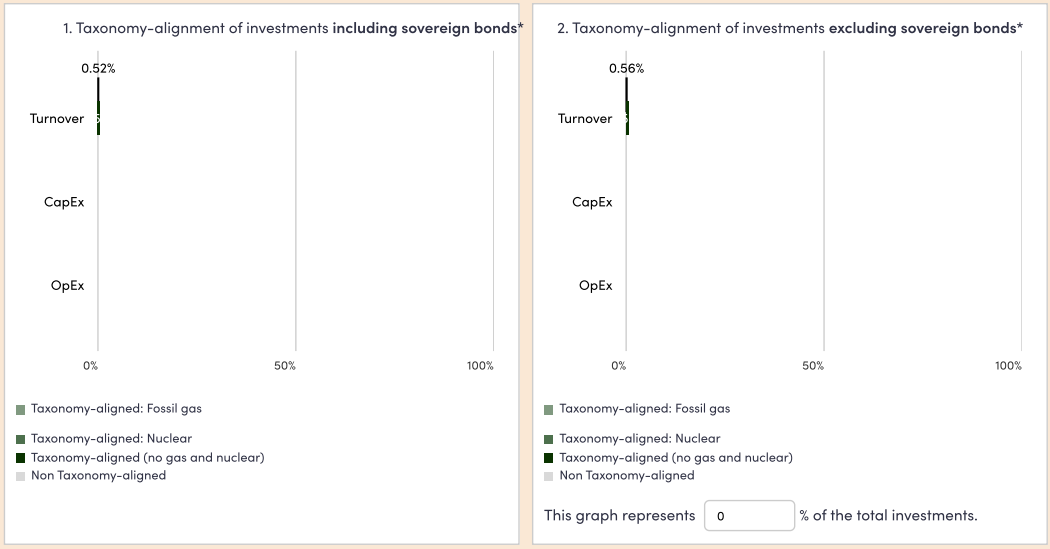
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.52%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An APAC Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Through additional research, Invesco has determined that the issuer has committed to address the issue and is developing a strategy. The issuer has set targets to improve energy consumption. By the end of 2026, total per employee energy consumption in headquarter offices will be reduce by 8% compared with 2021 baseline year. The company also promotes renewable energy usage. In its data centres, the issuer has optimized the cooling effect through the use high-efficiency direct natural cooling and indirect evaporative cooling. The issuer has reported on further measures to improve energy efficiency in the Annual Report, such as installing photovoltaic energy storage systems on roofs and walls to establish green energy supply and effectively reduce power usage effectiveness (PUE) levels. Additionally, the issuer has set a target to improve the energy efficiency in the headquarter offices, however the largest energy usage is in the warehouses and service centres. There are measures in place in the data centres to improve the energy efficiency and the use of renewable energy is mentioned.
An APAC Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged on PAI 1/2 (GHG Emissions). Invesco conducted additional research on the issuer, and determined that the entity has committed to address the issue and is developing a strategy. The issuer is a signatory to the Task Force on Climate-related Financial Disclosures (TCFD) for climate change and has identified transition risks and opportunities to decarbonize operations over a period. The issuer has a decarbonization strategy that is set out in three-time horizons (short, medium, and long-term). Some of its short-term strategies include adoption of best available technologies and improvement in existing processes to maximize waste heat recovery, increase share of renewable energy generation, and an increase in internal carbon pricing to boost carbon abatement projects appraisal. For the medium and long-term strategies the issuer is shifting from metallurgical coal to cleaner fuel like natural gas, upscaling pilots of CCUS and hydrogen based steelmaking, and conducting research on advanced materials. The issuer is actively engaging with technology companies, academia, companies from other sectors having similar challenges on development and scale-up of deep decarbonization technologies such as CCUS, hydrogen generation and its use in steelmaking and has also signed an MoU with the Council of Scientific & Industrial Research (CSIR) to collaborate on CCUS. During the year under review, the issuer commissioned a CCU pilot plant, the first of its kind in the nation that extracts CO2 directly from the blast furnace gas.
An APAC Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged on PAI 1/2 (GHG Emissions). Invesco conducted additional research on the issuer, and determined that the entity has committed to address the issue and is developing a strategy. The issuer has committed to net zero by 2050. It has committed to Science Based Targets initiatives (SBTi) and its targets of reducing scope 1 GHG emissions intensity by 27% and scope 2 GHG emissions intensity by 69% by 2032, taking 2017 as baseline have been validated by SBTi. In 2021, its scope 1 CO2 intensity decreased by 9.1% keeping it on course for achieving its 2032 target. The issuer plans to deliver its ambitions of net zero by 2050 through three key steps. The first step is to reduce operational GHG footprint with energy efficiency, renewable energy, waste heat energy etc. The second step is to reduce GHG emissions with its products by focusing on life cycle assessment, R&D of new low-carbon footprint products, recycling of concrete etc. The third step is to expand its key external partnerships for decarbonization such as implementing carbon offset projects for the community and evaluating carbon capture through industry partnerships. As part of its 2050 commitment, the issuer targets to meet 100% of its electricity requirement through renewables. It is investing in increasing the share of green energy at its plants through an optimal power mix which includes waste heat recovery systems (WHRS), and renewable energy such as windmill and solar power. In the last two years alone, it has scaled up its contracted renewable energy capacity by 2.5 times.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Asia Consumer Demand Fund

Legal entity identifier: 549300TUG6R8C5LLSL96

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Asia Consumer Demand Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	5,123.34	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		13,290.61	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		169,230.17	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		187,644.11	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	350.92	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	678.54	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	94.52	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	0	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	0	
	Manufacturing	0.32	
	Mining & Quarrying	0	
	Real Estate Activities	0.59	
	Transportation & Storage	0.59	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.22	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	0	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.45	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	0.42	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	9.13	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	18.37	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	0.00	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	13.42	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Tencent Holdings Ltd	Communication Services	6.38%	Cayman Islands
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	5.96%	Taiwan
Alibaba Group Holding Ltd	Consumer Discretionary	5.36%	Cayman Islands
ICICI Bank Ltd	Financials	4.11%	India
Invesco Liquidity Funds plc – Invesco US Dollar Liquidity Portfolio	Cash	3.73%	Ireland
DBS Group Holdings Ltd	Financials	3.52%	Singapore
Meituan 144A	Consumer Discretionary	3.45%	Cayman Islands
Gourmet Master Co Ltd	Consumer Discretionary	3.32%	Cayman Islands
AIA Group Ltd	Financials	3.10%	Hong Kong
China Merchants Bank Co Ltd – H Shares	Financials	2.95%	China
NAVER Corp	Communication Services	2.79%	Korea (Democratic People's Republic of Korea)
Baidu Inc	Communication Services	2.74%	Cayman Islands
Samsung Electronics Co Ltd	Information Technology	2.69%	Korea (Democratic People's Republic of Korea)
HDFC Bank Ltd	Financials	2.65%	India
Infosys Ltd	Information Technology	2.14%	India



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

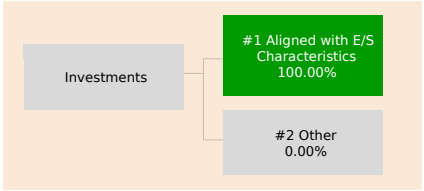
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund’s investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	31.54
Consumer Discretionary	20.98
Information Technology	15.11
Communication Services	12.61
Consumer Staples	11.77
Health Care	3.43
Industrials	2.48
Real Estate	0.24
Materials	0.00
Utilities	0.00
Energy	0.00
Sovereign	0.00
Cash	1.84
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**0.00**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of

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

2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **0**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

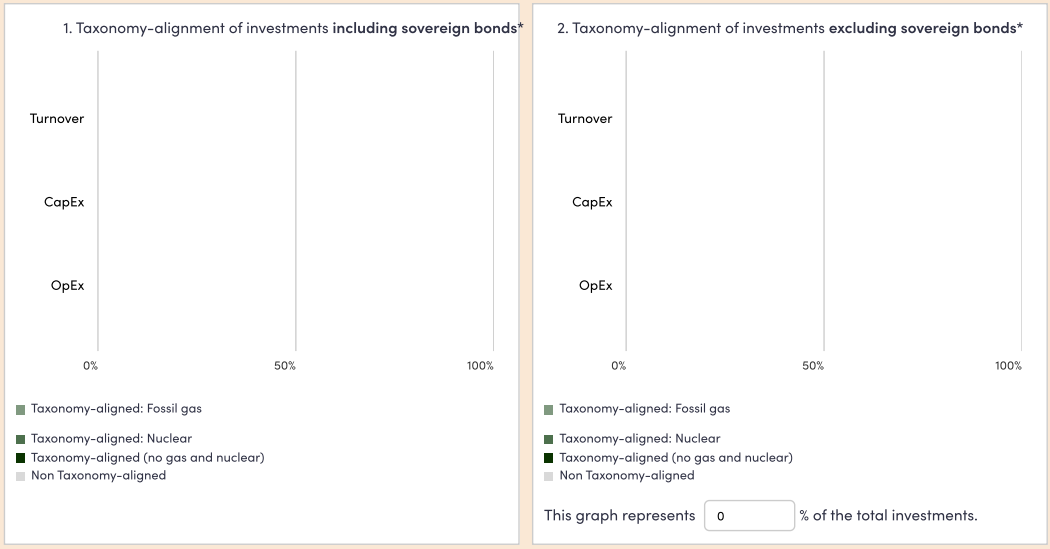
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.00%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An APAC Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Through additional research, Invesco has determined that the issuer has committed to address the issue and is developing a strategy. The issuer has set targets to improve energy consumption. By the end of 2026, total per employee energy consumption in headquarter offices will reduce by 8% compared with 2021 as a baseline year. The company also promotes renewable energy usage. In its data centres, the issuer has optimized the cooling effect through the use of high-efficiency direct natural cooling and indirect evaporative cooling. The issuer has reported on further measures to improve energy efficiency in their Annual Report, such as installing photovoltaic energy storage systems on roofs and walls to establish green energy supply and effectively reduce power usage effectiveness (PUE) levels. Additionally, the issuer has set a target to improve the energy efficiency in the headquarter offices, however the largest energy usage is in the warehouses and service centres. There are measures in place in the data centres to improve the energy efficiency and the use of renewable energy is mentioned.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Belt and Road Debt Fund

Legal entity identifier: 549300CO2OHMG0BCYK19

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Belt and Road Debt Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global

Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	13,923.36	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		3,804.89	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		96,210.14	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		113,938.39	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	591.28	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	873.05	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	86.98	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	7.38	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0.11	
	Electricity, Gas, Steam & Air Conditioning Supply	0.6	
	Manufacturing	0.22	
	Mining & Quarrying	4.15	
	Real Estate Activities	0.09	
	Transportation & Storage	0.95	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	0.75	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	0.14	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	6.2	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	0.00	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	14.96	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Invesco Liquidity Funds plc – Invesco US Dollar Liquidity Portfolio	Cash	4.17%	Ireland
Chindata Group Holdings Ltd 10.5% USD 23/02/2026	Information Technology	1.75%	China
Hutama Karya Persero PT 3.75% USD 11/05/2030	Industrials	1.70%	Indonesia
CSSC Capital 2015 Ltd 3% USD 13/02/2030	Industrials	1.67%	United Kingdom
Ivory Coast Government International Bond 6.125% USD 15/06/2033	Sovereign	1.65%	Ivory Coast
AVIC International Finance & Investment Ltd 3.3% USD 23/09/2030	Industrials	1.59%	United Kingdom
Guoren Property & Casualty Insurance Co Ltd 3.35% USD 01/06/2026	Financials	1.58%	China
Airport Authority FRN 2.4% USD Perpetual	Industrials	1.51%	Hong Kong
Philippine Government International Bond 4.2% USD 29/03/2047	Sovereign	1.48%	Philippines
CBQ Finance Ltd 2% USD 15/09/2025	Financials	1.46%	Bermuda
CMB International Leasing Management Ltd 2.875% USD 04/02/2031	Industrials	1.39%	Hong Kong
Invesco Funds SICAV – Invesco Asian Flexible Bond Fund	Unclassified	1.37%	Luxembourg
Galaxy Pipeline Assets Bidco Ltd 3.25% USD 30/09/2040	Energy	1.33%	United Kingdom
Geely Automobile Holdings Ltd FRN 4% USD Perpetual	Consumer Discretionary	1.32%	Cayman Islands
Huarong Finance 2019 Co Ltd 4.5% USD 29/05/2029	Financials	1.29%	United Kingdom



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

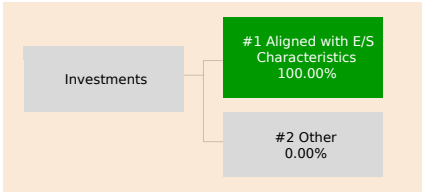
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investments in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	27.50
Real Estate	13.54
Industrials	12.12
Energy	6.10
Consumer Discretionary	5.61
Materials	5.53
Information Technology	3.05
Utilities	2.19
Communication Services	1.71
Consumer Staples	0.87
Health Care	0.00
Sovereign	15.51
Cash	4.53
Unclassified	1.74
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.38
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	1.15
10102020	Oil & Gas Exploration & Production	2.01
10102030	Oil & Gas Refining & Marketing	0.98
10102040	Oil & Gas Storage & Transportation	1.58
10102050	Coal & Consumable Fuels	0.00
Total		**6.10**

To comply with the EU Taxonomy, the criteria for **fossil gas** include

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

limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **0**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

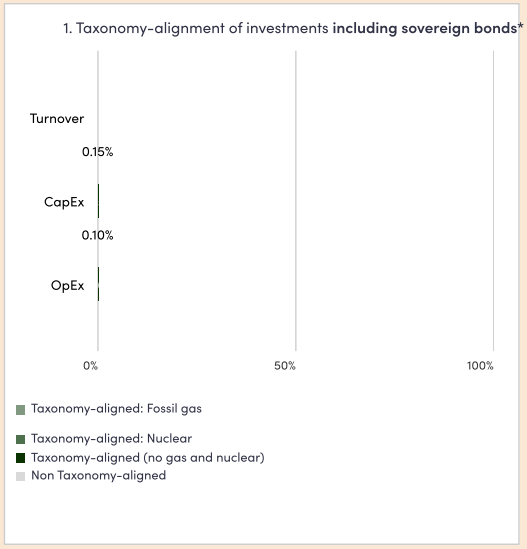
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

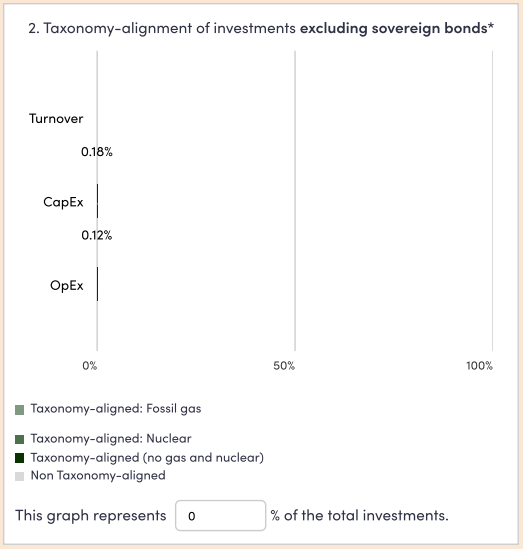
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.00%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An APAC Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Through additional research, Invesco has determined that the issuer has committed to address the issue and is developing a strategy. The issuer has set targets to improve energy consumption. By the end of 2026, total per employee energy consumption in headquarter offices will reduce by 8% compared with 2021 as a baseline year. The company also promotes renewable energy usage. In its data centres, the issuer has optimized the cooling effect through the use of high-efficiency direct natural cooling and indirect evaporative cooling. The issuer has reported on further measures to improve energy efficiency in their Annual Report, such as installing photovoltaic energy storage systems on roofs and walls to establish green energy supply and effectively reduce power usage effectiveness (PUE) levels. Additionally, the issuer has set a target to improve the energy efficiency in the headquarter offices, however the largest energy usage is in the warehouses and service centres. There are measures in place in the data centres to improve the energy efficiency and the use of renewable energy is mentioned.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Product name:Invesco Emerging Market Corporate Bond Fund

Legal entity identifier: 549300B231TRH220LB65

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Invesco Emerging Market Corporate Bond Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global

Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	4,616.38	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		1,169.55	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		19,559.87	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		25,345.80	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	1,120.78	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	2293.67	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0.01	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	86.34	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	18.55	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	1.74	
	Manufacturing	1.85	
	Mining & Quarrying	15.03	
	Real Estate Activities	0.3	
	Transportation & Storage	1.62	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.08	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	3.68	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	217.33	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	2.09	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	4.94	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	0.00	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	15.19	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Invesco Liquidity Funds plc – Invesco US Dollar Liquidity Portfolio	Cash	6.22%	Ireland
Ecopetrol SA 4.625% USD 02/11/2031	Energy	1.18%	Colombia
Grupo Idesa SA de CV 9.875% USD 22/05/2026	Materials	1.08%	Mexico
China Great Wall International Holdings V Ltd 2.375% USD 18/08/2030	Financials	1.08%	United Kingdom
Huarong Finance 2019 Co Ltd 3.375% USD 24/02/2030	Financials	1.05%	United Kingdom
Geely Automobile Holdings Ltd FRN 4% USD Perpetual	Consumer Discretionary	1.02%	Cayman Islands
Transportadora de Gas del Peru SA 4.25% USD 30/04/2028	Energy	1.00%	Peru
EnfraGen Energia Sur SA / EnfraGen Spain SA / Prime Energia SpA 5.375% USD 30/12/2030	Utilities	1.00%	Spain
Bangkok Bank PCL/Hong Kong FRN 3.466% USD 23/09/2036	Financials	0.99%	Thailand
Promigas SA ESP / Gases del Pacifico SAC 3.75% USD 16/10/2029	Utilities	0.98%	Colombia
KazMunayGas National Co JSC 5.375% USD 24/04/2030	Energy	0.97%	Kazakhstan
Meituan 3.05% USD 28/10/2030	Consumer Discretionary	0.96%	Cayman Islands
AIA Group Ltd 3.2% USD 16/09/2040	Financials	0.94%	Hong Kong
CIBANCO SA Institucion de Banca Multiple Trust CIB/3332 4.375% USD 22/07/2031	Real Estate	0.94%	Mexico
Adani Green Energy Ltd 4.375% USD 08/09/2024	Utilities	0.90%	India



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

99.99% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.01% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	18.71
Energy	15.92
Consumer Discretionary	10.33
Materials	9.33
Utilities	8.51
Communication Services	7.71
Real Estate	6.93
Consumer Staples	5.89
Industrials	3.22
Information Technology	0.59
Health Care	0.30
Sovereign	4.62
Cash	7.93
Others/Derivatives	0.01
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.67
10102010	Integrated Oil & Gas	2.19
10102020	Oil & Gas Exploration & Production	7.37
10102030	Oil & Gas Refining & Marketing	1.69
10102040	Oil & Gas Storage & Transportation	4.00
10102050	Coal & Consumable Fuels	0.00
Total		**15.92**

To comply with the EU Taxonomy, the criteria for **fossil gas** include

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

limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **0.81**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

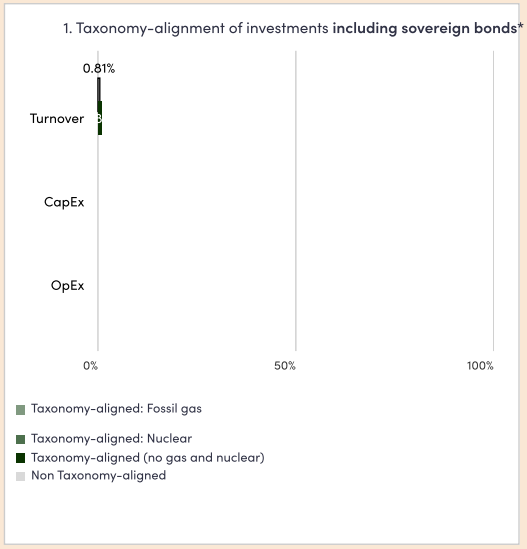
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

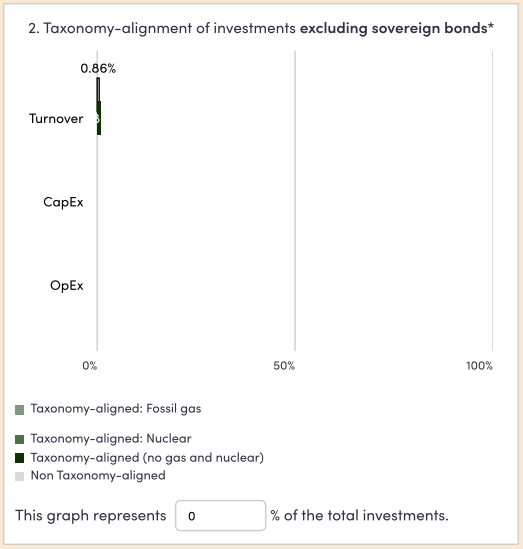
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.09%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.01% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An APAC Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Through additional research, Invesco has determined that the issuer has committed to address the issue and is developing a strategy. The issuer has set targets to improve energy consumption. By the end of 2026, total per employee energy consumption in headquarter offices will reduce by 8% compared with 2021 as a baseline year. The company also promotes renewable energy usage. In its data centres, the issuer has optimized the cooling effect through the use of high-efficiency direct natural cooling and indirect evaporative cooling. The issuer has reported on further measures to improve energy efficiency in their Annual Report, such as installing photovoltaic energy storage systems on roofs and walls to establish green energy supply and effectively reduce power usage effectiveness (PUE) levels. Additionally, the issuer has set a target to improve the energy efficiency in the headquarter offices, however the largest energy usage is in the warehouses and service centres. There are measures in place in the data centres to improve the energy efficiency and the use of renewable energy is mentioned.
An EMEA Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Invesco conducted additional research on the issuer. Invesco has determined that the issuer has acknowledged the issue as a serious matter for a worthy response, but has not yet committed to resolving the issue. Although the issuer reported in its TCFD report that it is implementing carbon reduction initiatives (such as the use of energy-efficient offices and data centres, and reduction of emissions from transportation and business travel), no specific target for energy consumption is disclosed. The company does report that energy intensity reduction is a strategy priority and that teams are responsible for finding ways to reduce energy consumption and carbon emissions in the workplace. However, from Invesco's research, it appears that these initiatives are mainly related to the issuer's corporate emissions rather while the largest source of energy consumption is related to its e-commerce subsidiary. The issuer has also disclosed a target to reduce its GHG emissions, but this not its energy intensity.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Product name:Invesco Euro Bond Fund

Legal entity identifier: HH36MQAZCGE98HNSVD57

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Euro Bond Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	15,454.05	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		1,875.76	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		99,619.56	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		116,949.36	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	600.11	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	1048.76	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	63.71	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	33.35	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0.18	
	Electricity, Gas, Steam & Air Conditioning Supply	2.76	
	Manufacturing	0.92	
	Mining & Quarrying	4.76	
	Real Estate Activities	0.29	
	Transportation & Storage	3.12	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.25	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	8.26	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.36	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	1.71	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.36	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	2.74	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	21.62	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	38.18	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Bundesobligation 2.2% EUR 13/04/2028	Sovereign	2.46%	Germany
Italy Buoni Poliennali Del Tesoro 144A 2.25% EUR 01/09/2036	Sovereign	2.43%	Italy
Deutsche Bundesrepublik Inflation Linked Bond 0.5% EUR 15/04/2030	Sovereign	2.04%	Germany
Invesco Liquidity Funds plc - Invesco Euro Liquidity Portfolio	Cash	1.49%	Ireland
French Republic Government Inflation Linked Bond OAT 144A 0.7% EUR 30/11/2033	Sovereign	1.35%	Spain
Bundesrepublik Deutschland Bundesanleihe 2.3% EUR 15/02/2033	Sovereign	1.27%	Germany
Bundesobligation 1.3% EUR 15/10/2027	Sovereign	1.18%	Germany
European Investment Bank 1.125% EUR 15/09/2036	Financials	1.14%	Luxembourg
Italy Buoni Poliennali Del Tesoro 0.9% EUR 01/04/2031	Sovereign	1.08%	Italy
French Republic Government Bond OAT 144A 1.5% EUR 25/05/2050	Sovereign	1.04%	France
Italy Buoni Poliennali Del Tesoro 144A 2.7% EUR 01/03/2047	Sovereign	1.04%	Italy
Bundesrepublik Deutschland Bundesanleihe 3.25% EUR 04/07/2042	Sovereign	0.96%	Germany
Indonesia Government International Bond 1.45% EUR 18/09/2026	Sovereign	0.93%	Indonesia
Spain Government Bond 144A 2.9% EUR 31/10/2046	Sovereign	0.85%	Spain
Kingdom of Belgium Government Bond 144A 0.4% EUR 22/06/2040	Sovereign	0.83%	Belgium



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

99.82% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.18% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investments in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	38.20
Utilities	7.16
Communication Services	5.20
Energy	4.19
Consumer Discretionary	3.37
Health Care	2.72
Industrials	2.53
Materials	1.96
Real Estate	1.82
Consumer Staples	1.43
Information Technology	0.20
Sovereign	27.07
Cash	3.96
Others/Derivatives	0.01
Unclassified	0.18
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	3.98
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.20
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**4.18**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **1.45**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

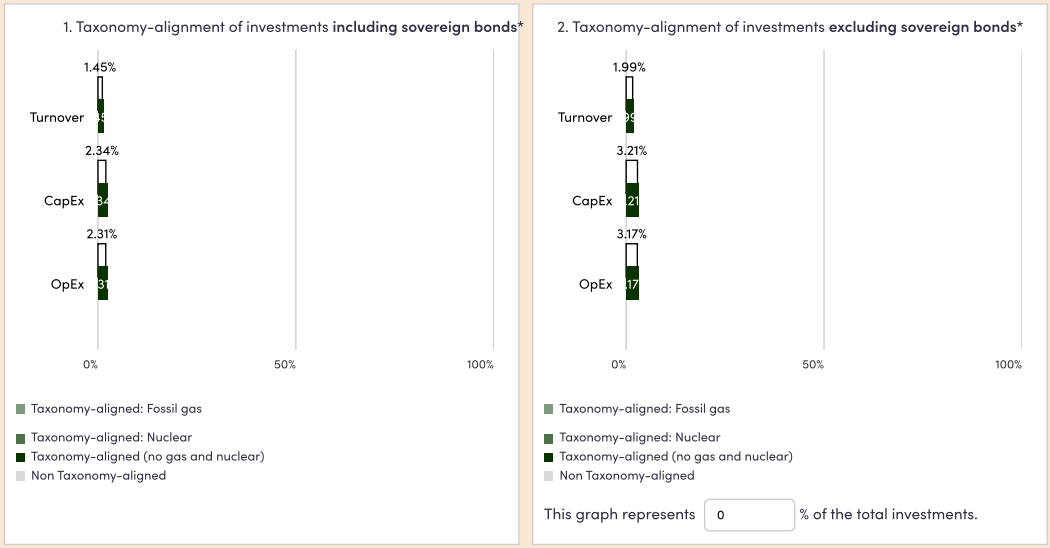
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.77%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

activities under the EU Taxonomy.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.18% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged for PAI 1,2 and 3 (GHG emissions). The issuer has acknowledged the issue and set targets to address it. They commit to reduce scope 1 GHG emissions 17.5% and scope 2 GHG emissions 65% per ton of cementitious materials, alongside a target to reduce scope 3 emissions per metric ton of clinker and cement purchased by 25.1%. All targets are set for 2030, with a 2020 base year. Invesco's ESG team engaged with the company to discuss their carbon emissions. The company was the first in their sector to sign the “Business Ambition for 1.5°C” pledge and have their targets approved by the Science-Based Targets initiative (SBTi).
An EMEA Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Invesco conducted additional research on the issuer. Invesco has determined that the issuer has acknowledged the issue as a serious matter for a worthy response, but has not yet committed to resolving the issue. Although the issuer reported in its TCFD report that it is implementing carbon reduction initiatives (such as the use of energy-efficient offices and data centres, and reduction of emissions from transportation and business travel), no specific target for energy consumption is disclosed. The company does report that energy intensity reduction is strategy priority and that teams are responsible for finding ways to reduce energy consumption and carbon emissions in the workplace. However, from Invesco's research, it appears that these initiatives are mainly related to the issuer's corporate emissions rather while the largest source of energy consumption is related to its e-commerce subsidiary. The issuer has also disclosed a target to reduce its GHG emissions, but this not its energy intensity.
An EMEA Energy Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted research on the issuer and has determined that the entity has committed to address the issue and is developing a strategy. The issuer has outlined its commitment to protect biodiversity through a four pillar plan: 1) respecting voluntary exclusion zones; 2) managing biodiversity in new projects; 3) managing biodiversity in existing sites, and 4) promoting biodiversity.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Euro Corporate Bond Fund

Legal entity identifier: 549300JTZH9W8F23MF74

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Euro Corporate Bond Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	108,649.80	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		21,980.20	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		1,065,241.80	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		1,195,871.80	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	573.30	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	1121.14	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	60.74	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	31.81	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	7.38	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	2.16	
	Manufacturing	0.39	
	Mining & Quarrying	2.61	
	Real Estate Activities	0.31	
	Transportation & Storage	0.06	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.07	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	11.12	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	5.18	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	1.24	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	6.93	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	22.12	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	39.45	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Bundesrepublik Deutschland Bundesanleihe 1.7% EUR 15/08/2032	Sovereign	2.58%	Germany
Invesco Liquidity Funds plc - Invesco Euro Liquidity Portfolio	Cash	2.53%	Ireland
United States Treasury Note/Bond 2.875% USD 15/05/2032	Sovereign	1.45%	United States
Bundesschatzanweisungen 0% EUR 15/09/2023	Sovereign	1.10%	Germany
Apple Inc 1.625% EUR 10/11/2026	Information Technology	1.02%	United States
AT&T Inc 2.45% EUR 15/03/2035	Communication Services	0.92%	United States
Walmart Inc 2.55% EUR 08/04/2026	Consumer Staples	0.84%	United States
TotalEnergies SE FRN 2.625% EUR Perpetual	Energy	0.80%	France
Walgreens Boots Alliance Inc 2.125% EUR 20/11/2026	Consumer Staples	0.79%	United States
Sanofi 1.75% EUR 10/09/2026	Health Care	0.77%	France
HSBC Holdings Plc 4.25% USD 14/03/2024	Financials	0.76%	United Kingdom
Mondelez International Inc 1.625% EUR 08/03/2027	Consumer Staples	0.74%	United States
Italy Buoni Poliennali Del Tesoro 0% EUR 29/11/2023	Sovereign	0.73%	Italy
Berkshire Hathaway Inc 1.625% EUR 16/03/2035	Financials	0.71%	United States
Allianz SE FRN 3.375% EUR Perpetual	Financials	0.69%	Germany



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

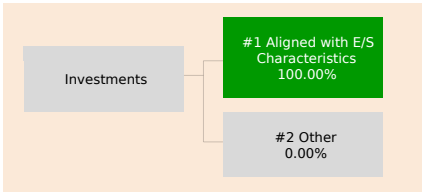
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

-0.14% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and 1.85% cash was held for ancillary liquidity purposes.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	35.39
Utilities	9.58
Consumer Staples	9.11
Communication Services	8.76
Health Care	6.10
Energy	6.02
Consumer Discretionary	6.01
Industrials	4.74
Information Technology	3.84
Materials	1.96
Real Estate	0.32
Sovereign	6.46
Cash	1.85
Others/Derivatives	-0.14
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.24
10102010	Integrated Oil & Gas	5.59
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.19
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**6.02**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-

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

carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **1.92**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

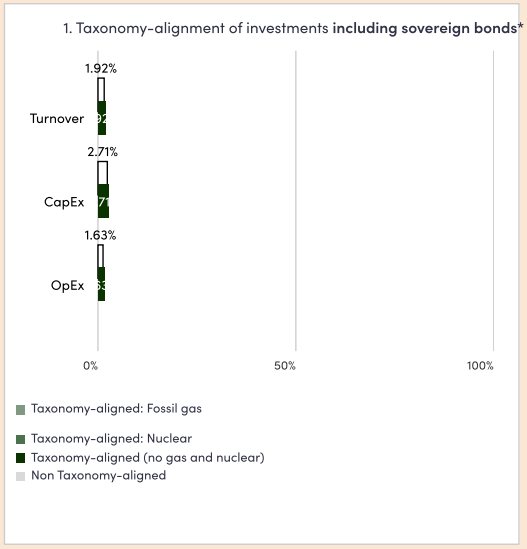
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

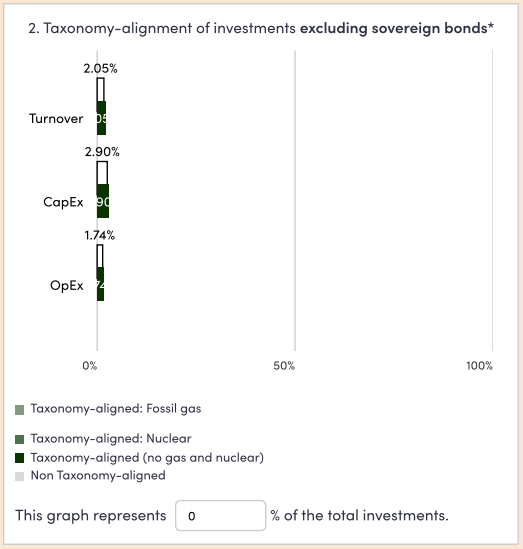
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.61%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged for PAI 1,2 and 3 (GHG emissions). The issuer has acknowledged the issue and set targets to address it. They commit to reduce scope 1 GHG emissions 17.5% and scope 2 GHG emissions 65% per ton of cementitious materials, alongside a target to reduce scope 3 emissions per metric ton of clinker and cement purchased by 25.1%. All targets are set for 2030, with a 2020 base year. Invesco’s ESG team engaged with the company to discuss their carbon emissions. The company was the first in their sector to sign the “Business Ambition for 1.5°C” pledge and have their targets approved by the Science-Based Targets initiative (SBTi).
A North American Consumer Staples Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged for PAI 7 (Activities negatively affecting biodiversity sensitive areas), for two reasons: land use and biodiversity and human rights. The issuer has acknowledged both issues and has strategies and associated goals in place to deal with them. Land use and biodiversity predominantly relates to its involvement in deforestation due to its use of palm oil and procurement of cocoa. The issuer has a palm oil action plan and a ‘Cocoa Life’ plan which also focuses on human rights in the cocoa supply chain. They acknowledge the issue of deforestation and require their suppliers to adopt forest protection and sustainability policies for their entire supply base, not just for palm oil supplied to the company. They’re working with global suppliers to ensure all oil used is sustainably sourced and fully traceable
A North American Health Care Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Through additional research, Invesco determined the issuer has committed to address the issue and is developing a strategy. Pharmaceutical companies are exposed to emission, effluents and waste through waste and water discharge from the production of antibiotics and antifungals. Improper environmental practices are a leading cause of antimicrobial resistance (ARM), which has been declared a life-threatening challenge by the World Health Organization (WHO). Through Invesco's research, the issuer has a well-articulated strategy to manage this risk. The issuer has published a statement where it reports that limiting the presence of pharmaceuticals int eh environment is a priority for the issuer. The issuer has a program dedicated to assessing and mitigating the risks associated with manufacturing discharges (one of the lesser ways that pharmaceuticals can enter the environment). The issuer is also actively involved with the AMR Industry Alliance (AMRIA), which has a roadmap to understand and mitigate potential impacts of AMR, including demonstrating responsible manufacturing of products and providing greater transparency of their actions.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Global Consumer Trends Fund

Legal entity identifier: 549300H8AC48B24Q5722

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Global Consumer Trends Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global

Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	7,781.65	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		14,920.74	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		440,883.92	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		463,586.31	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	198.68	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	395.75	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	76.81	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	0	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	0	
	Manufacturing	0.1	
	Mining & Quarrying	0	
	Real Estate Activities	0	
	Transportation & Storage	0	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	4.61	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	8.05	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	0.06	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.74	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	16.64	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	11.89	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	29.52	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Amazon.com Inc	Consumer Discretionary	9.63%	United States
Tesla Inc	Consumer Discretionary	8.20%	United States
EPR Properties	Real Estate	6.20%	United States
Lowe's Cos Inc	Consumer Discretionary	4.99%	United States
Sony Group Corp	Consumer Discretionary	3.20%	Japan
Hello Group Inc ADR	Communication Services	3.08%	Cayman Islands
Netflix Inc	Communication Services	2.89%	United States
MercadoLibre Inc	Consumer Discretionary	2.79%	United States
Booking Holdings Inc	Consumer Discretionary	2.66%	United States
Penn Entertainment Inc	Consumer Discretionary	2.65%	United States
Take-Two Interactive Software Inc	Communication Services	2.43%	United States
Nintendo Co Ltd	Communication Services	2.32%	Japan
Farfetch Ltd	Consumer Discretionary	2.31%	Cayman Islands
Playa Hotels & Resorts NV	Consumer Discretionary	2.27%	Netherlands
General Motors Co	Consumer Discretionary	2.26%	United States



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

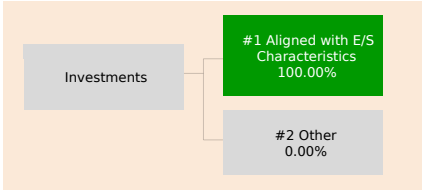
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund’s investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Consumer Discretionary	64.00
Communication Services	23.74
Real Estate	6.10
Industrials	3.18
Consumer Staples	2.74
Materials	0.18
Information Technology	0.00
Financials	0.00
Health Care	0.00
Utilities	0.00
Energy	0.00
Sovereign	0.00
Cash	0.06
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**0.00**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of

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

2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **7.98**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

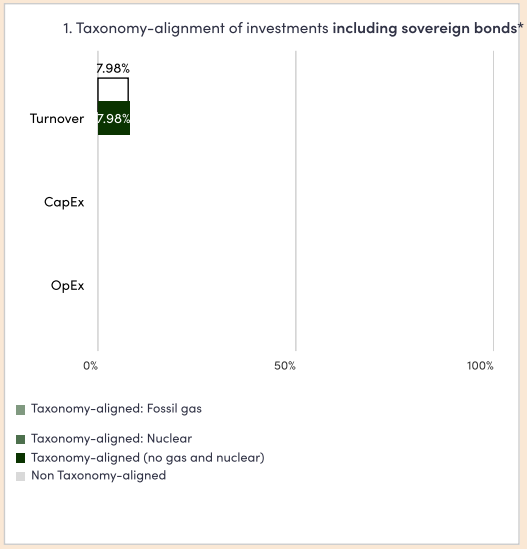
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

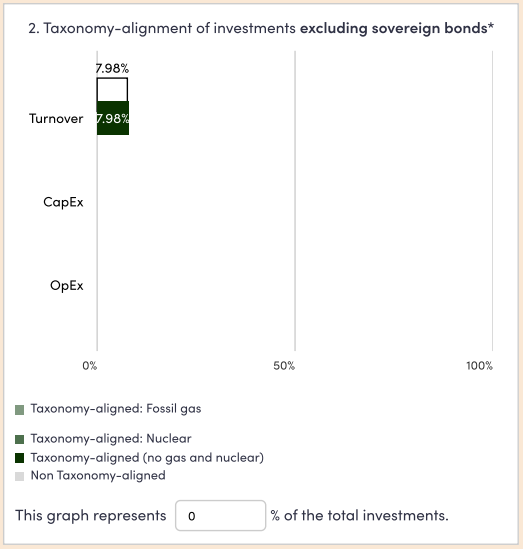
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	7.73%
Transition	0.25%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
A South American Consumer Discretionary Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy consumption intensity). Through additional research, Invesco has determined that the issuer has acknowledged the issue as a serious matter for a worthy response but has not yet committed to resolving the issue. The issuer does report on the topic of climate change and energy efficiency. The issuer states that it aims to reduce its environmental footprint by using more renewable energy sources and developing energy-efficiency projects: energy efficiency and migration of operations to renewable energies (transport). There are measures such as a smart metering strategy that allow the issuer to remotely monitor energy consumption in seven buildings. The issuer aims for 100% of operations to migrate to renewable energy sources (self-produced and externally bought renewable energy). It discloses its GHG emissions (scope 1,2 and 3), but no targets have been set yet.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Sustainable Global Structured Equity Fund

Legal entity identifier: 549300EP6JAIYSZ5Y657

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ **It made sustainable investments with an environmental objective: ___ %**	☒ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 77 % of sustainable investments**
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ **It made sustainable investments with a social objective: ___ %**	☐ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Sustainable Global Structured Equity Fund (the "Fund") aimed to promote environmental characteristics related to climate change mitigation (such as carbon emissions) as well as natural resource utilization and pollution (for example by exclusion of companies involved in fossil fuel, coal, nuclear power or activities generating pollution).

The Fund also promoted social characteristics related to human rights by excluding companies in violation of any UN Global Compact's principles (based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding controversial activities issuers involved in (but not limited to) manufacturing or sale of conventional weapons or production and distribution of tobacco. The Fund aimed to select companies and issuers that display superior sustainable management and sustainable products or processes, fulfilling ecological and social requirements particularly well, ranging from climate efficiency and low water consumption to labour safety and satisfaction. Ecological characteristics were assessed using an energy transition score. Social features were considered by excluding companies with controversial business behaviours.

The Fund achieved its environmental and social characteristics by applying its exclusion and best-in class approach on an on-going basis.

The Fund is managed systematically. In every rebalancing, it is ensured that the Fund meets the environmental and social characteristics.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
Turnover derived from thermal coal mining, excluded if >=5% Turnover derived from burning coal for power generation, excluded if >=5% Proportion in electricity generation fuel mix from coal, excluded if >=5% Structural increase of thermal coal activities over 3 years, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues that comes from projects or the extraction of tar sands, excluded if 0% and oil shale, as well as the proportion of reserves in tar sands or oil shale Involvement in fracking activities, excluded if Yes Involvement in arctic drilling activities, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues are derived from fossil fuel industries, excluded if >=5% Structural increase of fossil activities over 3 year, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Company's commitment to define clear objectives and appropriate measures to ensure management of the environmental impacts of products and services, excluded if insufficient environmental strategy	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Production of restricted chemicals, excluded if 0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of endangering biodiversity, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of preventing and managing of accidental pollution or soil pollution, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of community involvement (including e.g. impact of operations on the local economy, responsible tax strategy, transfer of technology and skills), excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from nuclear power, excluded if >=5% Proportion in electricity generation fuel mix from nuclear power, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Manufacture or sale of civilian firearms or related products, excluded if >=5% Manufacture of civilian firearms or related products, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Sales that are related to military sales including key parts or services, for conventional weapons, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial Weapons, excluded if >0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production and distribution of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Fail to pass the global compact screening, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controverises in labour rights including the supply chain, forced or child labour and discrimination, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in pollution or lack of protection of water resources, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Involvement in recreational cannabis, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in corruption, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Energy Transition Score	43
% of issuers that are in the Top 75% of universe based on the energy transition score	100%
The Fund's Scope 1 and 2 GHG emission intensity vs the market cap weighted (MSCI World Index) GHG Scope 1 and 2 GHG emission intensity	79.4 vs 124.6

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund made sustainable investments by contributing to environmental objectives (such as climate change, water management, pollution prevention) and to social objectives (such as good health, well-being and gender equality).

The Fund sought to achieve those objectives by investing in (i) issuers which contribute positively to selected UN Sustainable Development Goals (SDGs) (generating at least 25% of the issuer's revenue) that relate to the above objectives, or (ii) companies which generate a material part of the revenue from environmental impact themes such as energy transition (by selecting companies in the top 25% based on the energy transition score within its region and sector), healthcare (by selecting companies part of the GICS Sector 35) and food (by selecting companies part of the GICS Industry 302020). The Fund also used a best-in-class approach, utilizing the investment manager's proprietary scoring methodology and selecting companies in the top 75% within the respective peer group for either score eligible. It should be noted that the full weight in the portfolio counted as sustainable investments when meeting the above criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund primarily used the mandatory principal adverse impacts (PAI) indicators defined in Table 1 of Annex I of the regulatory technical standards for Regulation 2019/2088, combined with qualitative research and/or engagement, to assess whether the sustainable investments of the Fund cause significant harm (DNSH) to a relevant environmental or social investment objective. Where a company

was determined to cause such significant harm, it could still be held within the Fund but did not count toward the “sustainable investments” within the Fund. For the avoidance of doubt, the assessment was done prior to investment and on the full holding.

How were the indicators for adverse impacts on sustainability factors taken into account?

Please see above on how the indicators for adverse impacts on sustainability factors were taken into account.

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

The Fund excluded companies, sectors or countries from the investment universe when such companies violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations. All issuers considered for investment were screened for compliance with, and excluded if they did not meet UN Global Compact principles, based on third-party data and the Investment Manager’s proprietary analysis and research.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	8,541.97	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		2,774.29	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		77,507.10	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		88,823.36	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	356.14	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	700.68	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0.59	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	74.41	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	6.81	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing		
	Construction	0.02	
	Electricity, Gas, Steam & Air Conditioning Supply	0.2	
	Manufacturing	0.89	
	Mining & Quarrying	1.46	
	Real Estate Activities	1.66	
	Transportation & Storage	4.07	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0.87	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.76	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	3.93	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.4	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	16.77	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	9.32	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	10.28	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	32.97	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)		Share of investments in investee companies involved in the manufacture or selling of controversial weapons
Optional Indicators	Optional Indicator: 4. Investments in companies without carbon emission reduction initiative	43.57	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
	Optional Indicator: 9. Lack of a human rights policy	4.41	Share of investments in entities without a human rights policy

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Apple Inc	Information Technology	1.81%	United States
Japan Post Holdings Co Ltd	Financials	1.34%	Japan
Takeda Pharmaceutical Co Ltd	Health Care	1.25%	Japan
Merck & Co Inc	Health Care	1.25%	United States
General Mills Inc	Consumer Staples	1.19%	United States
Nippon Telegraph & Telephone Corp	Communication Services	1.16%	Japan
Hershey Co/The	Consumer Staples	1.10%	United States
Consolidated Edison Inc	Utilities	1.04%	United States
KDDI Corp	Communication Services	1.02%	Japan
Novartis AG	Health Care	1.01%	Switzerland
Bristol-Myers Squibb Co	Health Care	1.01%	United States
UnitedHealth Group Inc	Health Care	0.94%	United States
Hydro One Ltd 144A	Utilities	0.93%	Canada
Expeditors International of Washington Inc	Industrials	0.93%	United States
Banco Bilbao Vizcaya Argentaria SA	Financials	0.86%	Spain



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The Fund made investments aligned with the E/S characteristics for a minimum of 90% of its portfolio (#1 Aligned with E/S characteristics) by virtue of binding elements of the Fund's investment strategy. A maximum of 10% was invested in money market instruments or ancillary liquid assets for liquidity management purposes (#2 Other).

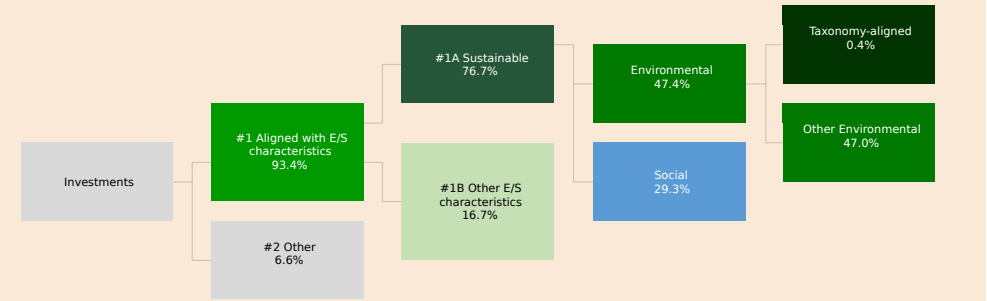
What was the asset allocation?

93.4% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

6.6% of the Fund's NAV was invested in financial derivative instruments for investment and/or hedging and/or efficient portfolio management purposes, cash that was held for ancillary liquidity purposes, and investments in other funds that were not subject to the same restrictions.

76.7% of the Fund's NAV was invested in sustainable investments.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Health Care	17.04
Information Technology	14.86
Financials	14.58
Consumer Staples	12.20
Communication Services	10.68
Industrials	7.87
Consumer Discretionary	5.87
Materials	4.70
Utilities	2.19
Real Estate	1.79
Energy	1.60
Sovereign	0.00
Cash	6.63
Others/Derivatives	-0.01
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	1.25
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.35
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**1.60**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-

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

carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, 0.4% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

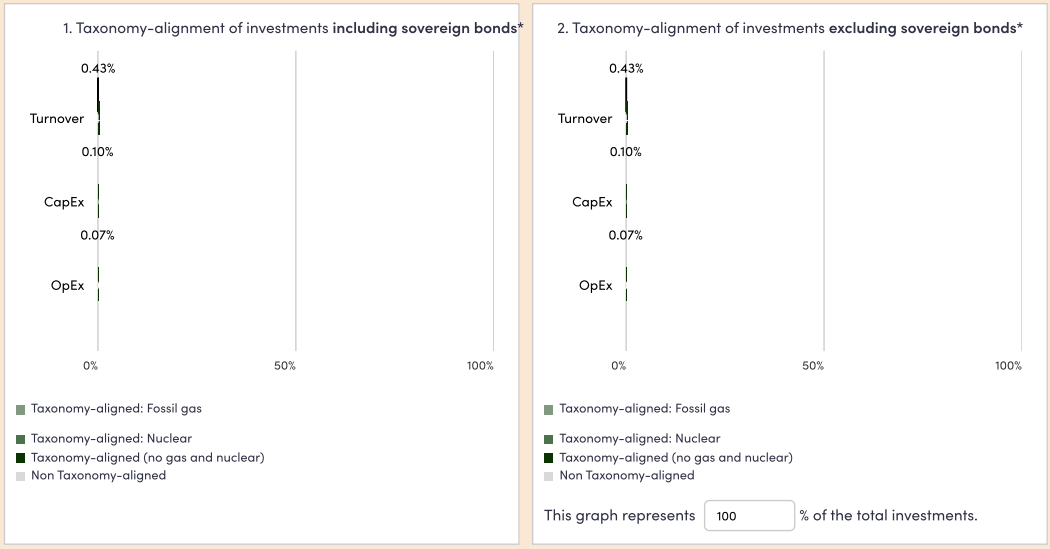
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.32%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

47.0% of the Fund's NAV was invested in sustainable investments with an environmental objective not aligned with the EU Taxonomy. The Investment Manager monitored closely the evolution of the dataset and their reliance and increased the portion of sustainable investments aligned with EU Taxonomy as the case may be, which decreased the exposure to sustainable investments not aligned with EU Taxonomy

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

in the Fund.

What was the share of socially sustainable investments?

29.3% of the Fund's NAV was invested in socially sustainable investments. The Fund had a minimum investment of 1% in socially sustainable investments. It should be noted that the Fund aimed to allocate 10% in sustainable investments with a social objective and/or an environmental objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes which was not assessed for compliance with the above ESG framework. Due to the neutral nature of the assets, no minimum safeguards were put in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusions and the best-in-class approach, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section "How did the sustainability indicators perform" above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund's portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged for PAI 1,2 and 3 (GHG emissions). The issuer has acknowledged the issue and set targets to address it. They commit to reduce scope 1 GHG emissions 17.5% and scope 2 GHG emissions 65% per ton of cementitious materials, alongside a target to reduce scope 3 emissions per metric ton of clinker and cement purchased by 25.1%. All targets are set for 2030, with a 2020 base year. Invesco's ESG team engaged with the company to discuss their carbon emissions. The company was the first in their sector to sign the "Business Ambition for 1.5°C" pledge and have their targets approved by the Science-Based Targets initiative (SBTi).
An APAC Materials Issuer	PAI 1,2,3: GHG Emissions and PAI 7: Activities negatively affecting biodiversity	**Research conducted.** The issuer initially flagged on PAI 1,2,3 (GHG Emissions) and PAI 7 (Activities negatively affecting biodiversity). Through additional research, Invesco determined the issuer has committed to address both issues and is developing a strategy. The issuer's carbon intensity in 2020 was 84.2 tonne CO2e / tonne copper equivalent (vs. 54.47 sector mean), increasing from 75.28 in 2016 (53.80). On GHG Emissions, the issuer has disclosed the following commitments: net zero by 2050 across Scope 1 and 2, 15% reduction by 2025, and 50% by 2030 across Scope 1 and 2 (aligned with the stretch goal of the Paris Agreement), net zero emissions from shipping by 2050 and 40% reduction in intensity by 2025, addressing a part of scope 3. The issuer also has a commitment to engage with iron ore and bauxite customers to share decarbonisation plans and seek collaboration. The issuer has established policies and commitments regarding biodiversity protection. In its disclosure, the issuer has set the following standard across all it's business units and managed operations: 1) to mitigate impacts on important biodiversity features, priority ecosystems services and related natural resource availability to reduce residual impacts to the extent practicable by applying the mitigation hierarchy principles of avoid, minimize, and rehabilitate; 2) to actively seek and implement collaborative opportunities for enhancing biodiversity and long-term stewardship of natural resources within avoidance and restored zones and non-operational lands through an inclusive stakeholder approach; 3) when residual impacts are, or are predicted to be, significant following application of the earlier stages of the mitigation hierarchy, implement offsets as necessary to meet regulatory or lender requirements, or to otherwise manage associated risk. Commitments to voluntary offsets due to significant biodiversity impacts require the approval of the Managing Director. In addition, it commits to conducting appropriate hazard identification and risk management, management of change and monitoring, measuring and reporting. On its website, the issuer discloses that it has implemented a "risk and impact assessment on important biodiversity features", an "action plan" and a "monitoring programme" across 100% of high-priority biodiversity sites. Notwithstanding these policies, the issuer still faces challenges in mitigating biodiversity-related risks. In practice, the issuer has faced allegations of numerous biodiversity-related controversies (for example, a water discharge controversy in a mine in Madagascar). Sustainalytics flags QMM for its involvement in a including a notable water discharge in it's QIT Madagascar Minerals' (QMM) ilmenite mine in Madagascar. To respond to this specific incident, Rio Tinto commissioned an independent study on radiation and water quality around the mine, to be cross-examined by the Malagasy regulator, and have constructed a process water treatment unit to improve water management and mitigate water release and environmental impacts. As the outcomes of this study emerge, we will monitor the situation closely and assess whether Rio Tinto upholds it's aforementioned commitments.
An EMEA Health Care Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted additional research on the issuer and has determined that the entity has committed to address the issue and is developing a strategy. The issuer has committed to close its operations in Puerto Rico (the biodiversity sensitive area in which it operates).

How did this financial product perform compared to the reference benchmark?

The Fund was not compared to a reference benchmark.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social

How does the reference benchmark differ from a broad market index?

characteristics that they promote.

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Product name:Invesco Global Total Return (EUR) Bond Fund

Legal entity identifier: ZMS4P8O7673WXDEHOJ12

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Global Total Return (EUR) Bond Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	47,817.49	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		5,316.97	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		233,196.22	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		286,330.68	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	326.49	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	835.79	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	55.12	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	32.69	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	3.36	
	Manufacturing	0.32	
	Mining & Quarrying	6.7	
	Real Estate Activities	0.42	
	Transportation & Storage	3.77	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.07	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	2.58	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	59.98	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	1.02	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.41	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	3.13	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	29.28	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	37.58	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
United States Treasury Note/Bond 1.875% USD 15/02/2032	Sovereign	4.98%	United States
United States Treasury Inflation Indexed Bonds 0.125% USD 15/10/2025	Sovereign	4.91%	United States
United States Treasury Inflation Indexed Bonds 0.625% USD 15/04/2023	Sovereign	3.48%	United States
Mexican Bonos 7.5% MXN 03/06/2027	Sovereign	2.65%	Mexico
United States Treasury Note/Bond 3.5% USD 15/02/2033	Sovereign	2.56%	United States
United States Treasury Note/Bond 3% USD 15/08/2052	Sovereign	2.06%	United States
Brazil Notas do Tesouro Nacional Serie F 10% BRL 01/01/2027	Sovereign	1.43%	Brazil
Brazil Notas do Tesouro Nacional Serie F 10% BRL 01/01/2025	Sovereign	1.40%	Brazil
United States Treasury Note/Bond 3.125% USD 15/11/2028	Sovereign	1.37%	United States
United States Treasury Note/Bond 2.625% USD 15/02/2029	Sovereign	1.33%	United States
UniCredit SpA FRN 8% USD Perpetual	Financials	1.27%	Italy
United Kingdom Gilt 4.25% GBP 07/06/2032	Sovereign	1.21%	United Kingdom
United States Treasury Inflation Indexed Bonds 0.625% USD 15/01/2026	Sovereign	1.16%	United States
United States Treasury Note/Bond 1.25% USD 15/05/2050	Sovereign	1.06%	United States
United States Treasury Note/Bond 1.625% USD 15/11/2050	Sovereign	1.03%	United States



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

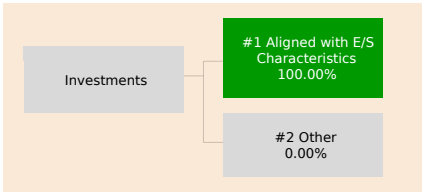
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund’s investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds that are not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	33.26
Communication Services	5.84
Consumer Discretionary	3.19
Utilities	2.94
Consumer Staples	2.56
Health Care	1.90
Industrials	1.80
Information Technology	1.76
Energy	1.27
Materials	0.91
Real Estate	0.53
Sovereign	43.64
Cash	0.93
Others/Derivatives	-0.53
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	0.68
10102020	Oil & Gas Exploration & Production	0.26
10102030	Oil & Gas Refining & Marketing	0.33
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		1.27

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **0.60**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

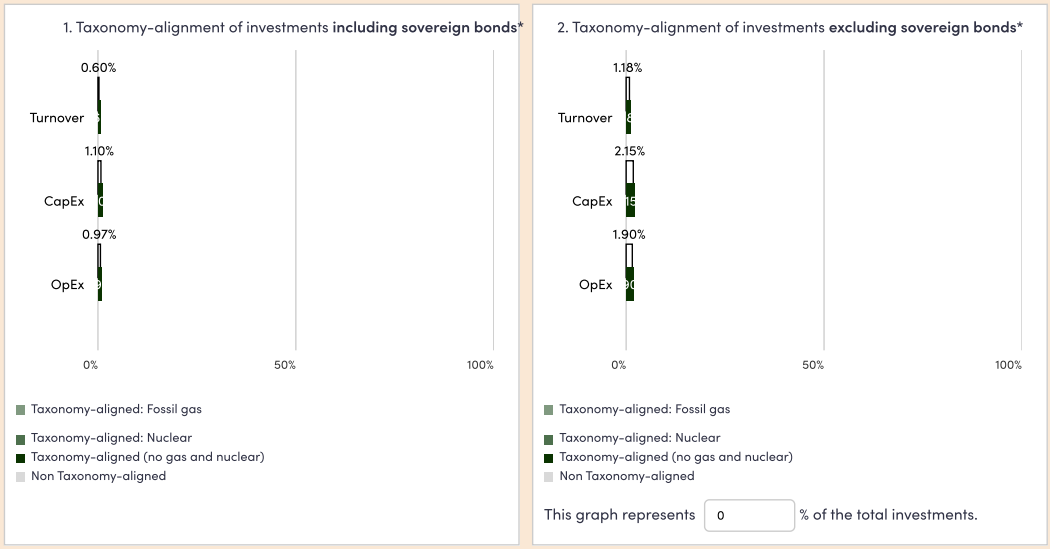
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



***For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures**

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.32%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund's asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section "How did the sustainability indicators perform" above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund's portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
A North American Consumer Staples Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged for PAI 7 (Activities negatively affecting biodiversity sensitive areas), for two reasons: land use and biodiversity and human rights. The issuer has acknowledged both issues and has strategies and associated goals in place to deal with them. Land use and biodiversity predominantly relates to its involvement in deforestation due to its use of palm oil and procurement of cocoa. The issuer has a palm oil action plan and a 'Cocoa Life' plan which also focuses on human rights in the cocoa supply chain. They acknowledge the issue of deforestation and require their suppliers to adopt forest protection and sustainability policies for their entire supply base, not just for palm oil supplied to the company. They're working with global suppliers to ensure all oil used is sustainably sourced and fully traceable
A North American Health Care Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Through additional research, Invesco determined the issuer has committed to address the issue and is developing a strategy. Pharmaceutical companies are exposed to emission, effluents and waste through waste and water discharge from the production of antibiotics and antifungals. Improper environmental practices are a leading cause of antimicrobial resistance (ARM), which has been declared a life-threatening challenge by the World Health Organization (WHO). Through Invesco's research, the issuer has a well-articulated strategy to manage this risk. The issuer has published a statement where it reports that limiting the presence of pharmaceuticals int eh environment is a priority for the issuer. The issuer has a program dedicated to assessing and mitigating the risks associated with manufacturing discharges (one of the lesser ways that pharmaceuticals can enter the environment). The issuer is also actively involved with the AMR Industry Alliance (AMRIA), which has a roadmap to understand and mitigate potential impacts of AMR, including demonstrating responsible manufacturing of products and providing greater transparency of their actions.
An EMEA Energy Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy Consumption Intensity) and PAI 7 (Activities negatively affecting biodiversity sensitive areas). Through additional research, Invesco determined that the entity acknowledged the issue as a serious matter for a worthy response but has not yet committed to resolving the issue. The issuer has strong management of both routine and accidental release of emissions, effluents and waste. The majority of its environmental management systems have been certified by ISO 14001. The issuer aims to minimize waste production by focusing on the circular economy as a tool to use resources efficiently. Its management of effluents generated during operations is generally adequate, although limited disclosure is available on the company's objectives or targets on this issue. Concerning spills, the volume of hydrocarbons spilled by the company was 6 metric tons in FY2021, which is a decrease of 92% compared to the average of the previous four years. However, an oil spill of over 10,000 barrels occurred at one of its refineries in early 2022 in Peru, impacting the company's performance and reputation in managing environmental issues. The issuer has above average preparedness measures to address emissions, effluents and waste issues and has been implicated in major controversies related to the issue.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

Not applicable.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

Product name:Invesco Pan European High Income Fund

Legal entity identifier: 549300M8GW9ZCHKQQX27

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective:___%	☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made sustainable investments with a social objective:___%	☒ It promoted E/S characteristics, but did not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Invesco Pan European High Income Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	370,251.84	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		64,115.12	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		2,771,726.13	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		3,206,093.10	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	712.68	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	1093.48	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	63.19	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	34.2	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	5.16	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	2.97	
	Manufacturing	0.5	
	Mining & Quarrying	2.77	
	Real Estate Activities	0.8	
	Transportation & Storage	2.62	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.08	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	6.36	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	24.45	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	1.44	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.56	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	5.81	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	22.70	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	37.30	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Invesco Liquidity Funds plc – Invesco Euro Liquidity Portfolio	Cash	2.27%	Ireland
UniCredit SpA FRN 5.375% EUR Perpetual**	Financials	1.43%	Italy
Banco Santander SA FRN 4.75% EUR Perpetual	Financials	1.02%	Spain
Roche Holding AG	Health Care	0.80%	Switzerland
TotalEnergies SE	Energy	0.79%	France
Deutsche Telekom AG	Communication Services	0.69%	Germany
United States Treasury Note/Bond 2.5% USD 15/02/2046	Sovereign	0.64%	United States
Societe Generale SA FRN 7.375% USD Perpetual	Financials	0.63%	France
Enel Finance International NV 144A 3.5% USD 06/04/2028	Utilities	0.63%	Netherlands
Kreditanstalt fuer Wiederaufbau 0.375% EUR 15/03/2023	Financials	0.62%	Germany
UniCredit SpA FRN 8% USD Perpetual	Financials	0.59%	Italy
Sanofi	Health Care	0.57%	France
Siemens AG	Industrials	0.57%	Germany
SAP SE	Information Technology	0.56%	Germany
Veolia Environnement SA	Utilities	0.55%	France



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

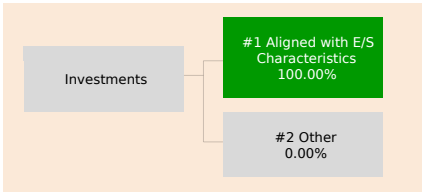
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in funds that are not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	34.40
Consumer Discretionary	11.39
Communication Services	9.33
Industrials	7.87
Consumer Staples	7.55
Materials	5.97
Utilities	5.06
Health Care	4.50
Energy	4.07
Information Technology	3.81
Real Estate	1.83
Sovereign	1.67
Cash	2.83
Others/Derivatives	-0.28
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.38
10102010	Integrated Oil & Gas	2.55
10102020	Oil & Gas Exploration & Production	0.19
10102030	Oil & Gas Refining & Marketing	0.94
10102040	Oil & Gas Storage & Transportation	0.01
10102050	Coal & Consumable Fuels	0.00
Total		**4.07**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-

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

carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **1.21**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

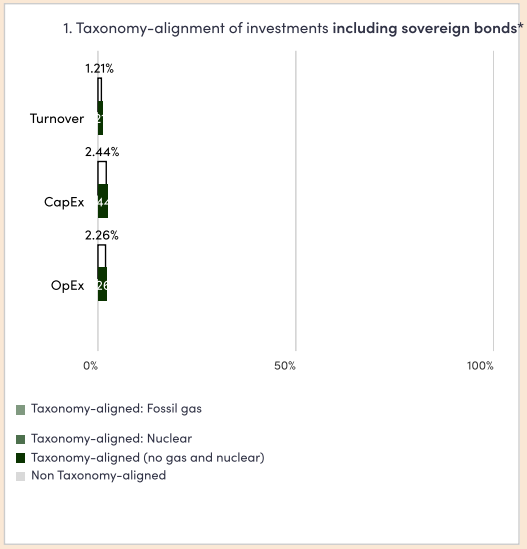
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

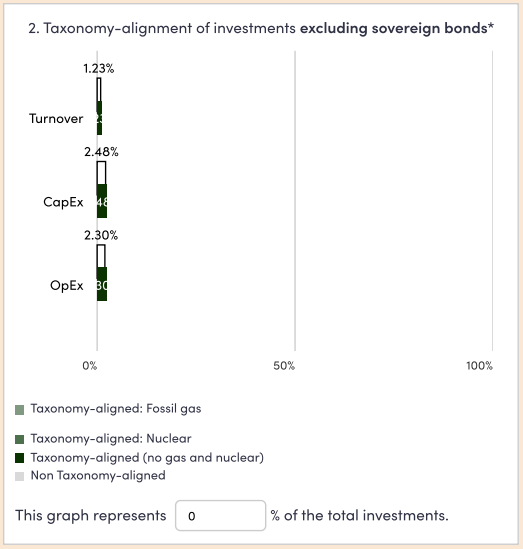
☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.





For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.65%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Energy Issuer	PAI 6: Energy consumption intensity	**Research conducted.** The issuer initially flagged on PAI 6 (Energy Consumption Intensity) and PAI 7 (Activities negatively affecting biodiversity sensitive areas). Through additional research, Invesco determined that the entity acknowledged the issue as a serious matter for a worthy response but has not yet committed to resolving the issue. The issuer has strong management of both routine and accidental release of emissions, effluents and waste. The majority of its environmental management systems have been certified by ISO 14001. The issuer aims to minimize waste production by focusing on the circular economy as a tool to use resources efficiently. Its management of effluents generated during operations is generally adequate, although limited disclosure is available on the company's objectives or targets on this issue. Concerning spills, the volume of hydrocarbons spilled by the company was 6 metric tons in FY2021, which is a decrease of 92% compared to the average of the previous four years. However, an oil spill of over 10,000 barrels occurred at one of its refineries in early 2022 in Peru, impacting the company's performance and reputation in managing environmental issues. The issuer has above average preparedness measures to address emissions, effluents and waste issues and has been implicated in major controversies related to the issue.
An EMEA Energy Issuer	PAI 1,2,3 (GHG Emissions); PAI 5 (Share of non-renewable energy); PAI 7 (Activities negatively affecting biodiversity sensitive areas)	**Research and engagement conducted.** The issuer initially flagged on several PAIs including PAI 1 (Scope 1 GHG Emissions), PAI 5 (Share of non-renewable energy), and PAI 7 (Activities negatively affecting biodiversity sensitive areas). Through additional research, Invesco has determined that the issuer has committed to address the PAI 1 and 5 issues and is developing a strategy. On PAI 7, Invesco has found that the issuer has acknowledged the issue as a serious matter for a worthy response but has not yet committed to resolving the issue. On PAI 1, the issuer has set emissions reduction targets, specifically a 50% reduction in Scope 1 and 2 emissions targets by 2030. On PAI 5, the issuer has made some acquisitions to expand its renewable energy business in power generation and hydrogen projects. On PAI 7, the issuer has acknowledged the issue of pollution in biodiversity sensitive areas, such as in Nigeria. However, its plans to divest are on hold until the Supreme Court reaches a decision on a previous oil spill controversy. Furthermore, following written correspondence with the issuer, Invesco has confirmed that the issuer's net-positive policy only applies to new projects only, not those existing projects adversely impacting biodiversity. For these reasons, Invesco has determined that the issuer still flags on PAI 7.
An EMEA Energy Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted research on the issuer and has determined that the entity has committed to address the issue and is developing a strategy. The issuer has outlined its commitment to protect biodiversity through a four pillar plan: 1) respecting voluntary exclusion zones; 2) managing biodiversity in new projects; 3) managing biodiversity in existing sites, and 4) promoting biodiversity.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Product name:Invesco Sustainable Pan European Structured Equity Fund

Legal entity identifier: 549300QJFI88JY01XI17

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes	No
☐ **It made sustainable investments with an environmental objective: ___%**	☒ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 82 % of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☒ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☒ **with a social objective**
☐ **It made sustainable investments with a social objective: ___%**	☐ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco Sustainable Pan European Fund (the "Fund") aimed to promote environmental characteristics related to climate change mitigation (such as carbon emissions) as well as natural resource utilization and pollution (for example by exclusion of companies involved in fossil fuel, coal, nuclear power or activities generating pollution).

The Fund also promoted social characteristics related to human rights by excluding companies in violation of any UN Global Compact's principles (based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding controversial activities issuers involved in (but not limited to) manufacturing or sale of conventional weapons or production and distribution of tobacco. The Fund aimed to select companies and issuers that display superior sustainable management and sustainable products or processes, fulfilling ecological and social requirements particularly well, ranging from climate efficiency and low water consumption to labour safety and satisfaction. Ecological characteristics were assessed using an energy transition score. Social features were considered by excluding companies with controversial business behaviours.

The Fund achieved its environmental and social characteristics by applying its exclusion and best-in class approach on an on-going basis.

The Fund is managed systematically. In every rebalancing, it is ensured that the Fund meets the environmental and social characteristics.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
Turnover derived from thermal coal mining, excluded if >=5% Turnover derived from burning coal for power generation, excluded if >=5% Proportion in electricity generation fuel mix from coal, excluded if >=5% Structural increase of thermal coal activities over 3 years, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues that comes from projects or the extraction of tar sands, excluded if 0% and oil shale, as well as the proportion of reserves in tar sands or oil shale Involvement in fracking activities, excluded if Yes Involvement in arctic drilling activities, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues are derived from fossil fuel industries, excluded if >=5% Structural increase of fossil activities over 3 year, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Company's commitment to define clear objectives and appropriate measures to ensure management of the environmental impacts of products and services, excluded if insufficient environmental strategy	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Production of restricted chemicals, excluded if 0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of endangering biodiversity, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of preventing and managing of accidental pollution or soil pollution, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of community involvement (including e.g. impact of operations on the local economy, responsible tax strategy, transfer of technology and skills), excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from nuclear power, excluded if >=5% Proportion in electricity generation fuel mix from nuclear power, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Manufacture or sale of civilian firearms or related products, excluded if >=5% Manufacture of civilian firearms or related products, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Sales that are related to military sales including key parts or services, for conventional weapons, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial Weapons, excluded if >0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production and distribution of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Fail to pass the global compact screening, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controverises in labour rights including the supply chain, forced or child labour and discrimination, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in pollution or lack of protection of water resources, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Involvement in recreational cannabis, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in corruption, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Energy Transition Score	55
% of issuers that are in the Top 75% of universe based on the energy transition score	100%
The Fund's Scope 1 and 2 GHG emission intensity vs the market cap weighted (MSCI Europe Index) GHG Scope 1 and 2 GHG emission intensity	73.4 vs 111.8

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund made sustainable investments by contributing to environmental objectives (such as climate change, water management, pollution prevention) and to social objectives (such as good health, well-being and gender equality).

The Fund sought to achieve those objectives by investing in (i) issuers which contribute positively to selected UN Sustainable Development Goals (SDGs) (generating at least 25% of the issuer's revenue) that relate to the above objectives, or (ii) companies which generate a material part of the revenue from environmental impact themes such as energy transition (by selecting companies in the top 25% based on the energy transition score within its region and sector), healthcare (by selecting companies part of the GICS Sector 35) and food (by selecting companies part of the GICS Industry 302020). The Fund also used a best-in-class approach, utilizing the investment manager's proprietary scoring methodology and selecting companies in the top 75% within the respective peer group for either score eligible. It should be noted that the full weight in the portfolio counted as sustainable investments when meeting the above criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund primarily used the mandatory principal adverse impacts (PAI) indicators defined in Table 1 of Annex I of the regulatory technical standards for Regulation 2019/2088, combined with qualitative research and/or engagement, to assess whether the sustainable investments of the Fund cause significant harm (DNSH) to a relevant environmental or social investment objective. Where a company was determined to cause such significant harm, it could still be held within the Fund but did not count toward the "sustainable investments" within the Fund. For the avoidance of doubt, the assessment was done prior to investment and on the full holding.

How were the indicators for adverse impacts on sustainability factors taken into account?

Please see above on how the indicators for adverse impacts on sustainability factors were taken into account.

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

The Fund excluded companies, sectors or countries from the investment universe when such companies violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations. All issuers considered for investment were screened for compliance with, and excluded if they did not meet UN Global Compact principles, based on third-party data and the Investment Manager's proprietary analysis and research.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
Greenhouse gas emissions	1.GHG Emissions	50,112.27	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		11,857.65	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		699,442.00	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		761,411.93	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	622.9	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	997.43	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector		% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	59.45	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	23.04	
	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	5.92	
	Construction	0.03	
	Electricity, Gas, Steam & Air Conditioning Supply	2.47	
	Manufacturing	0.68	
	Mining & Quarrying	1.79	
	Real Estate Activities		
	Transportation & Storage	0.99	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0.45	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.07	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	6.45	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.67	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	3.73	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	4.81	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	14.9	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	37.66	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)		Share of investments in investee companies involved in the manufacture or selling of controversial weapons
Optional Indicators	Optional Indicator: 4. Investments in companies without carbon emission reduction initiative	27.44	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
	Optional Indicator: 9. Lack of a human rights policy	0.54	Share of investments in entities without a human rights policy

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
Novartis AG	Health Care	2.28%	Switzerland
Banco Bilbao Vizcaya Argentaria SA	Financials	1.94%	Spain
Rio Tinto Plc	Materials	1.88%	United Kingdom
Danone SA	Consumer Staples	1.85%	France
Sanofi	Health Care	1.85%	France
Nestle SA	Consumer Staples	1.84%	Switzerland
Kuehne + Nagel International AG	Industrials	1.82%	Switzerland
Novo Nordisk A/S	Health Care	1.62%	Denmark
AXA SA	Financials	1.59%	France
Svenska Handelsbanken AB	Financials	1.58%	Sweden
Wolters Kluwer NV	Industrials	1.53%	Netherlands
Essity AB	Consumer Staples	1.51%	Sweden
Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	Financials	1.44%	Germany
AstraZeneca Plc	Health Care	1.44%	United Kingdom
Henkel AG & Co KGaA (Preferred)	Consumer Staples	1.43%	Germany



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The Fund made investments aligned with the E/S characteristics for a minimum of 90% of its portfolio (#1 Aligned with E/S characteristics) by virtue of binding elements of the Fund's investment strategy. A maximum of 10% was invested in money market instruments or ancillary liquid assets for liquidity management purposes (#2 Other).

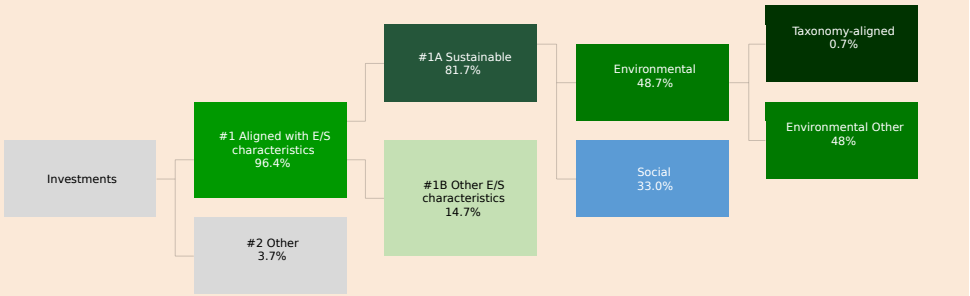
What was the asset allocation?

96.4% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

3.7% of the Fund's NAV was invested in financial derivative instruments for investment and/or hedging and/or efficient portfolio management purposes, cash that was held for ancillary liquidity purposes, and investments in other funds that were not subject to the same restrictions.

81.7% of the Fund's NAV was invested in sustainable investments.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	18.50
Consumer Staples	17.12
Industrials	16.31
Health Care	15.04
Materials	8.42
Communication Services	7.87
Consumer Discretionary	5.75
Information Technology	4.60
Utilities	2.02
Energy	0.72
Real Estate	0.00
Sovereign	0.00
Cash	3.66
Others/Derivatives	-0.01
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.72
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**0.72**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-

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

carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, 0.7% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

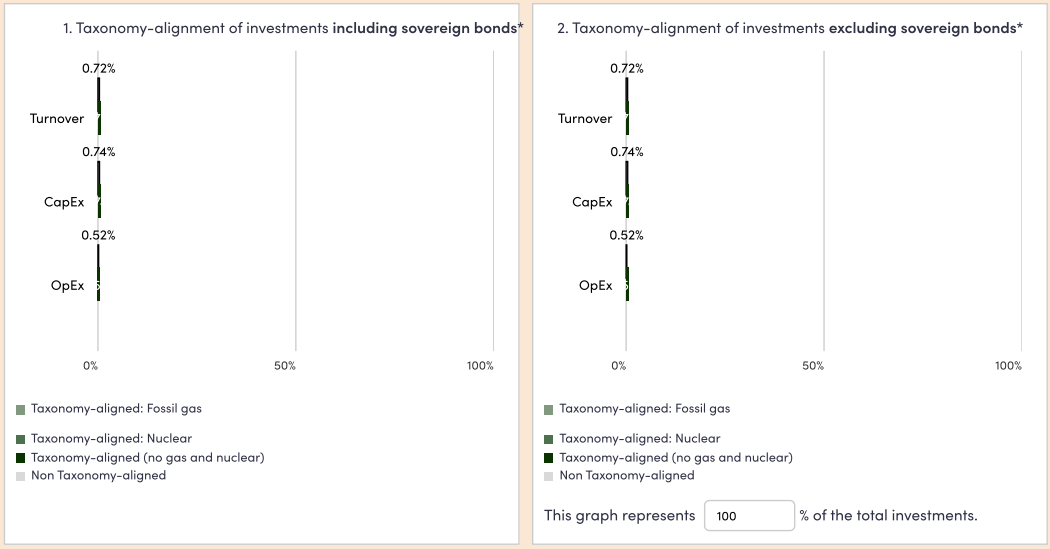
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.19%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

48.0% of the Fund's NAV was invested in sustainable investments with an environmental objective not aligned with the EU Taxonomy. The Investment Manager monitored closely the evolution of the dataset and their reliance and increased the portion of sustainable investments aligned with EU Taxonomy as the case may be, which decreased the exposure to sustainable investments not aligned with EU Taxonomy

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

in the Fund.

What was the share of socially sustainable investments?

33.0% of the Fund's NAV was invested in socially sustainable investments. The Fund had a minimum investment of 1% in socially sustainable investments. It should be noted that the Fund aimed to allocate 10% in sustainable investments with a social objective and/or an environmental objective.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes which was not assessed for compliance with the above ESG framework. Due to the neutral nature of the assets, no minimum safeguards were put in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusions and the best-in-class approach, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section "How did the sustainability indicators perform" above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund's portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Materials Issuer	PAI 1,2,3: GHG Emissions	**Research conducted.** The issuer initially flagged for PAI 1,2 and 3 (GHG emissions). The issuer has acknowledged the issue and set targets to address it. They commit to reduce scope 1 GHG emissions 17.5% and scope 2 GHG emissions 65% per ton of cementitious materials, alongside a target to reduce scope 3 emissions per metric ton of clinker and cement purchased by 25.1%. All targets are set for 2030, with a 2020 base year. Invesco's ESG team engaged with the company to discuss their carbon emissions. The company was the first in their sector to sign the "Business Ambition for 1.5°C" pledge and have their targets approved by the Science-Based Targets initiative (SBTi).
An EMEA Health Care Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted additional research on the issuer and has determined that the entity has committed to address the issue and is developing a strategy. The issuer has committed to close its operations in Puerto Rico (the biodiversity sensitive area in which it operates).

How did this financial product perform compared to the reference benchmark?

The Fund was not compared to a reference benchmark.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Product name:Invesco UK Equity Fund

Legal entity identifier: 549300YW6DBGECR4K708

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ **It made sustainable investments with an environmental objective:___%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of___% of sustainable investments**
☐ **in economic activities that qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy**
☐ **in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**	☐ **with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy**
	☐ **with a social objective**
☐ **It made sustainable investments with a social objective:___%**	☒ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Invesco UK Equity Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

How did the sustainability indicators perform?

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Artic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was

completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric
	1.GHG Emissions	6,863.35	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		1,323.54	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		85,366.03	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		93,552.92	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	1,139.56	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	1742.50	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue
	5. Share of non-renewable energy consumption	69.84	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)
	5. Share of non-renewable energy production	45.79	
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector
	Agriculture, Forestry & Fishing	0	
	Construction	0.12	
	Electricity, Gas, Steam & Air Conditioning Supply	1.97	
	Manufacturing	0.29	
	Mining & Quarrying	1.1	
	Real Estate Activities	0	
	Transportation & Storage	0	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.08	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	26.78	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those
Water	8. Emissions to water	0.04	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)
Waste	9. Hazardous waste and radioactive waste ratio	0.95	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	7.16	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	20.26	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	40.69	Waited Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weap-ons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:28 February 2023

Large Investments	Sector	% Assets	Country
BP Plc	Energy	7.72%	United Kingdom
Shell Plc	Energy	6.74%	United Kingdom
Unilever Plc	Consumer Staples	4.64%	United Kingdom
Glencore Plc	Materials	4.44%	United Kingdom
SSE Plc	Utilities	4.38%	United Kingdom
AstraZeneca Plc	Health Care	4.04%	United Kingdom
National Grid Plc	Utilities	3.63%	United Kingdom
BAE Systems Plc	Industrials	3.60%	United Kingdom
Whitbread Plc	Consumer Discretionary	3.51%	United Kingdom
Prudential Plc	Financials	3.51%	United Kingdom
Centrica Plc	Utilities	3.38%	United Kingdom
Sanofi	Health Care	3.05%	France
NatWest Group Plc	Financials	2.99%	United Kingdom
Hiscox Ltd	Financials	2.84%	Bermuda
Aviva Plc	Financials	2.74%	United Kingdom



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

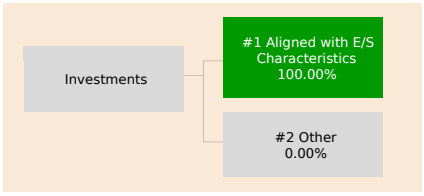
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investments in funds not subject to the same restrictions.

All the above data is provided as of 28 February 2023.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	18.43
Energy	16.54
Utilities	13.79
Health Care	11.67
Consumer Staples	10.96
Consumer Discretionary	9.87
Industrials	9.23
Materials	6.52
Communication Services	1.79
Real Estate	0.80
Information Technology	0.00
Sovereign	0.00
Cash	0.40
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	16.54
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		**16.54**

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of

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

2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, **3.22**% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

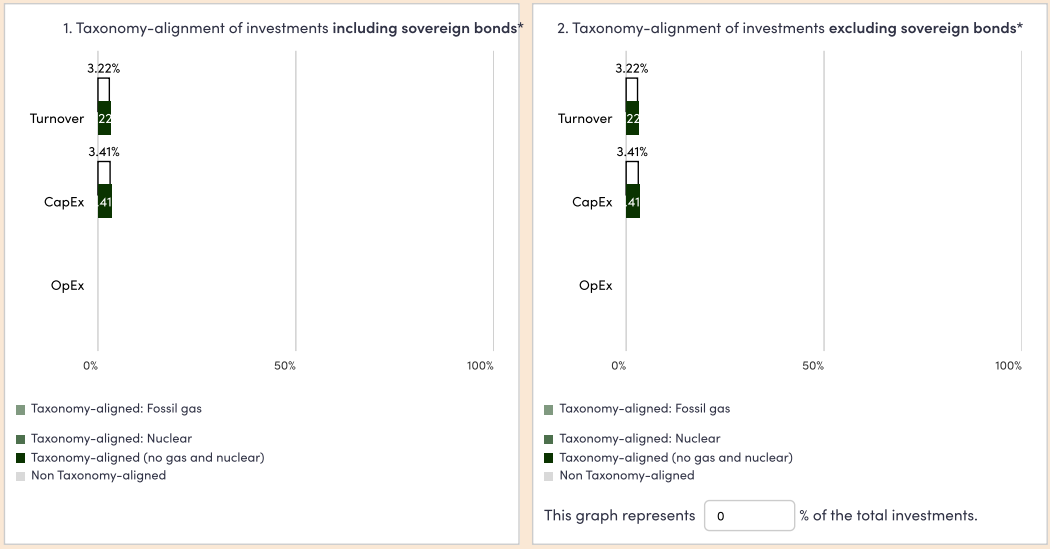
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

☒ **No**

The graphs below show in green the percentage of investments that were 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.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Aligned
Enabling	0.81%
Transition	0.00%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund’s asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section “How did the sustainability indicators perform” above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund’s portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An EMEA Energy Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted additional research on the issuer, and determined that the entity has committed to address the issue and is developing a strategy. When researching the issuer, Invesco found that the issuer has put in place a biodiversity position that from 2022 includes existing operating sites and makes a commitment to enhance biodiversity and support restoration. The issuer has also specifically addressed the controversies, such as in Senegal and Louisiana, flagged by the third-party data provider through statements and press releases.
An EMEA Energy Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas). Invesco conducted research on the issuer and has determined that the entity has committed to address the issue and is developing a strategy. The issuer has outlined its commitment to protect biodiversity through a four pillar plan: 1) respecting voluntary exclusion zones; 2) managing biodiversity in new projects; 3) managing biodiversity in existing sites; and 4) promoting biodiversity.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How does the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

iSHARES IV PLC

SUSTAINABILITY-RELATED DISCLOSURES (UNAUDITED) (continued)

iShares MSCI USA SRI UCITS ETF

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
iShares MSCI USA SRI UCITS ETF

Legal entity identifier:
549300KGWF4HEQR2MF81

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● [ ] **Yes**

●○ [X] **No**

[ ] It made **sustainable investments with an environmental objective:** __%

- [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[ ] It made **sustainable investments with a social objective:** __%

[X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 38.09% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [X] with a social objective

[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Environmental and social characteristics promoted by the Fund

The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes such as: controversial weapons, nuclear weapons, conventional weapons, civilian firearms, alcohol, gambling, tobacco, adult entertainment, genetically modified organisms, nuclear power, thermal coal, oil sands, unconventional oil and gas extraction, conventional oil and gas extraction (where the proportion of revenue from renewable, energy and alternative fuels is below a set threshold), oil and gas based power generation, fossil fuel reserves ownership
The exclusion of issuers with an MSCI ESG rating below BB
The exclusion of issuers with a zero MSCI controversy score or no MSCI controversy score
Exposure to investments qualifying as Sustainable Investments

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

How did the sustainability indicators perform?

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

Sustainability Indicator	Metric	Performance for the reference period
The exclusion of issuers with a zero MSCI controversy score or no MSCI controversy score	% market value exposure to issuers with a zero MSCI controversy score or no MSCI controversy score	0.00%
The exclusion of issuers with an MSCI ESG rating below BB	% market value exposure to issuers with an MSCI ESG rating below BB	0.00%
Exposure to investments qualifying as Sustainable Investments	% market value exposure to Sustainable Investments	38.09%
The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes (listed above)	% market value exposure to issuers involved in certain activities deemed to have negative environmental and/or social outcomes	0.00%

…and compared to previous periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

During the reference period, the Fund invested 38.09% of its holdings in Sustainable Investments in pursuit of its investment objective.

Environmental and social objectives

The Fund invested in Sustainable Investments which contributed to a range of environmental and/or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals and other sustainability-related frameworks ("Environmental and Social Objectives").

Economic activity assessment

An investment was assessed as a Sustainable Investment where:
(i)Business activity: Where 20% or more of its revenue attributable to products and/or services was systematically mapped as contributing to environmental and/or social objectives using third-party vendor data.
(ii)Business practices: Where the issuer set a de-carbonisation target in accordance with the Science Based Targets initiatives (SBTi) as validated by third-party vendor data. The SBTi seeks to provide a clearly defined pathway for companies and financial institutions to reduce greenhouse gas (GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Sustainable Investments held by the Fund during the reference period met the do no significant harm ("DNSH") requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all sustainable investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  At each index rebalance, all investments qualifying as Sustainable Investments were assessed against certain minimum environmental and social factors, such as sustainable impact revenues greater than or equal to 20% or the company has an SBTi approved target. As part of the assessment, companies were assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where a company was identified as being involved in activities with highly negative environmental and social impacts, it was not eligible as a Sustainable Investment.

  At each index rebalance, the benchmark index also excluded: (1) companies which are classified as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions and (2) companies determined to have any tie to controversial weapons (taking into account indicators concerning ties to controversial weapons).

  The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards ("RTS") under the SFDR) were considered at each index rebalance through the assessment of the Fund's investments qualifying as sustainable.

  Following this assessment, the following investments did not qualify as sustainable investments: (1) companies deemed to be deriving a minimum proportion of their revenue from thermal coal which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions) (2) companies that have been deemed to be involved in severe ESG related controversies (taking into account indicators relating to greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) companies which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (taking into account indicators relating to greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).

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

  The Fund's benchmark index has excluded companies with a "red" ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

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.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria in the methodology of its benchmark index. The Investment Manager has determined that those PAIs marked in the table below as "F" are fully considered or "P" are partially considered, as part of the investment selection criteria of the benchmark index at each index rebalance. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards ("RTS"). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

Adverse Sustainability Indicator	Sustainability indicator		
	Exclusion of issuers based on certain environmental screens (listed above)	Exclusion of issuers based on an MSCI ESG Controversy Score	Exclusion of issuers determined to have any tie to controversial weapons
Exposure to companies active in the fossil fuel sector	P		
Activities negatively affecting biodiversity-sensitive areas		P	
Emissions to water		P	
Hazardous waste and radioactive waste ratio		P	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		F	
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)			F



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: From 1 June 2022 to 31 May 2023.

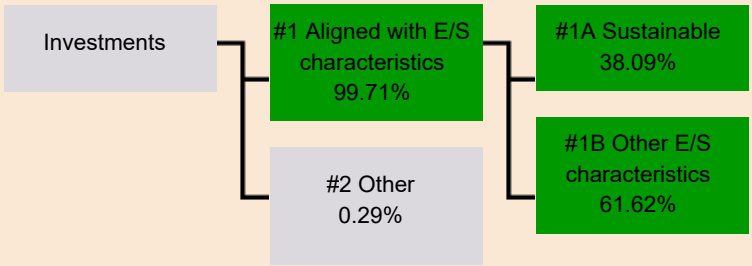
Largest investments	Sector	% Assets	Country
Tesla Inc	Consumer Discretionary	4.72%	United States
Microsoft Corp	Information Technology	4.49%	United States
Home Depot Inc	Consumer Discretionary	4.29%	United States
Coca-Cola	Consumer Staples	3.52%	United States
Pepsico Inc	Consumer Staples	3.41%	United States
Nvidia Corp	Information Technology	3.28%	United States
Walt Disney	Communication	2.52%	United States
Adobe Inc	Information Technology	2.41%	United States
Texas Instrument Inc	Information Technology	2.17%	United States
Amgen Inc	Health Care	1.83%	United States
Lowes Companies Inc	Consumer Discretionary	1.74%	United States
S&P Global Inc	Financials	1.69%	United States
Elevance Health Inc	Health Care	1.62%	United States
American Express	Financials	1.46%	United States
Blackrock Inc	Financials	1.44%	United States

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

In which economic sectors were the investments made?

The following table details the economic sectors that the Fund was exposed to during the reference period.

Sector	Sub-Sector	% of Investments
Health Care	Health Care Equipment & Services	9.90%
Consumer Staples	Food Beverage Tobacco	9.09%
Industrials	Capital Goods	8.91%
Financials	Financial Services	8.77%
Health Care	Pharma, Biotech & Life Sciences	8.36%
Consumer Discretionary	Consumer Discretionary Distribution & Retail	7.77%
Information Technology	Software & Services	7.65%
Information Technology	Semiconductors & Semiconductor Equipment	5.89%
Consumer Discretionary	Autos & Components	5.24%
Financials	Insurance	3.77%
Communication	Media & Entertainment	3.64%
Materials	Materials	3.24%
Real Estate	Equity Real Estate Investment Trusts (REITs)	3.19%
Financials	Banks	2.52%
Industrials	Commercial & Professional Services	2.00%
Utilities	Utilities	1.78%
Consumer Staples	Household & Personal Products	1.43%
Energy	Oil & Gas Storage & Transportation	1.38%
Energy	Oil & Gas Refining & Marketing & Transportation	1.29%
Industrials	Transportation	1.14%
Consumer Discretionary	Consumer Services	1.02%
Energy	Oil & Gas Equipment & Services	0.74%

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): integrated oil and gas, oil and gas exploration and production, oil and gas drilling, or coal and consumable fuels.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

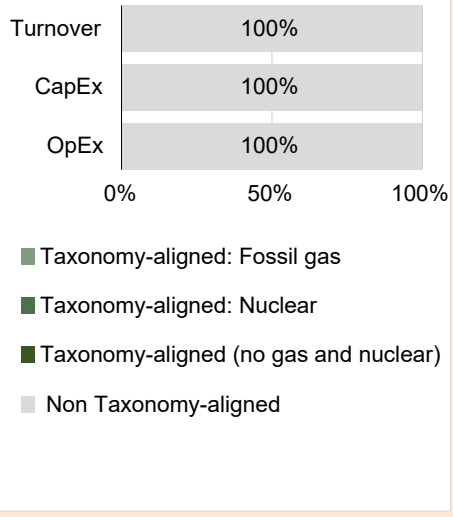
☐ In fossil gas ☐ In nuclear energy

☒ No

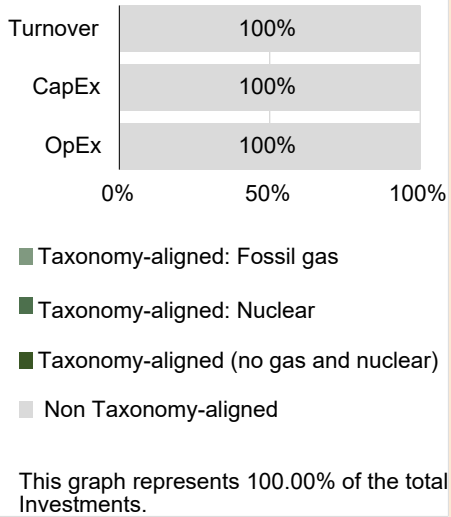
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100.00% of the total Investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

For the reference period, 38.09% of the Fund's investments were classified as Sustainable Investments. These Sustainable Investments will be a mix of Sustainable Investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

The Fund invested in sustainable investments that were not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment was unavailable; and/or (iii) underlying economic activities were not eligible under the EU Taxonomy's available technical screening criteria or did not comply with all requirements set out in such technical screening criteria.

What was the share of socially sustainable investments?

For the reference period, 38.09% of the Fund's investments were classified as Sustainable Investments. As noted above, these Sustainable Investments will be a mix of Sustainable Investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included cash, near cash instruments and derivatives, however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other investments held by the Fund were assessed against minimum environmental or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund met the environmental and social characteristics by tracking the environment and social characteristics of the benchmark index. The benchmark index methodology incorporates the environmental and social characteristics outlined (see section To what extent were the environmental and/or social characteristics of the Fund met?).

The Investment Manager is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Manager's activities under the SRD are available on BlackRock's website at: https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

For the reference period, the Fund has designated the benchmark index as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund. The performance of the Fund compared to the benchmark index is outlined below.

How does the reference benchmark differ from a broad market index?

The benchmark index excludes issuers that do not meet its ESG selection criteria from its broad market index, the MSCI USA Index. The ESG selection criteria that is excluded is set out above (see To what extent were the environmental and/or social characteristics promoted by this financial product met?). Further details regarding the methodology of the benchmark index (including its constituents) are available on the index provider's website at https://www.msci.com/index-methodology.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

The Fund achieved the environmental and social characteristics it promotes through replicating the constituents of the Fund's benchmark index.

How did this financial product perform compared with the reference benchmark?

Sustainability Indicator	Metric	Fund	Reference benchmark
Exposure to investments qualifying as Sustainable Investments	% market value exposure to Sustainable Investments	38.09%	38.19%
The exclusion of issuers with an MSCI ESG rating below BB	% market value exposure to issuers with an MSCI ESG rating below BB	0.00%	0.00%
The exclusion of issuers with a zero MSCI controversy score or no MSCI controversy score	% market value exposure to issuers with a zero MSCI controversy score or no MSCI controversy score	0.00%	0.00%
The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes (listed above)	% market value exposure to issuers involved in certain activities deemed to have negative environmental and/or social outcomes	0.00%	0.00%

How did this financial product perform compared with the broad market index?

Sustainability Indicator	Metric	Fund	Broad market index
Exposure to investments qualifying as Sustainable Investments	% market value exposure to Sustainable Investments	38.09%	25.90%
The exclusion of issuers with an MSCI ESG rating below BB	% market value exposure to issuers with an MSCI ESG rating below BB	0.00%	2.13%
The exclusion of issuers with a zero MSCI controversy score or no MSCI controversy score	% market value exposure to issuers with a zero MSCI controversy score or no MSCI controversy score	0.00%	0.39%
The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes (listed above)	% market value exposure to issuers involved in certain activities deemed to have negative environmental and/or social outcomes	0.00%	10.17%

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 1 – ARTICLE 8 (continued)

- To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
- **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.
- **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.
- Taxonomy-aligned activities are expressed as a share of:
  - **turnover** reflecting the share of revenue from green activities of investee companies.
  - **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
  - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

This section is not appicable, the fund does not align with the EU Taxonomy.

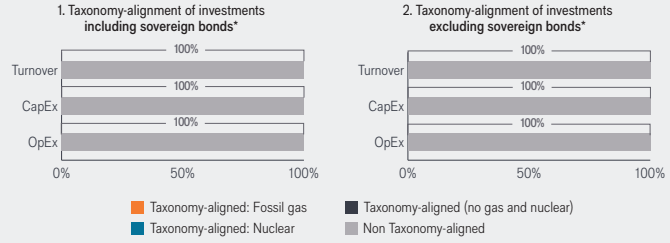
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

The graphs below show the percentage of investments that were 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.



This graph represents 100% of the total investments.

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

This section is not applicable, the fund does not align with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This section is not applicable, the fund does not align with the EU Taxonomy.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 1 – ARTICLE 8 (continued)

▶  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable, the fund does not align with the EU Taxonomy or hold sustainable investments.



What was the share of socially sustainable investments?

This section is not applicable, the fund does not hold sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other assets included cash or cash equivalents, securitised assets, derivatives for the purposes of efficient portfolio management, or derivatives for investment purposes other than those used to gain exposure to direct issuers. No minimum environmental or social safeguards are applied to such investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

No exclusionary screens or other binding commitments were actively breached by the fund and compliance pre-trade controls have been applied to ensure adherence to the ESG exclusionary screens.

▶ **Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How does the reference benchmark differ from a broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 1 – ARTICLE 8 (continued)

How did this financial product perform compared with the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 2 – ARTICLE 8

Sustainability-related disclosure

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Euro Corporate Bond Fund	**Legal entity identifier:** 213800RZ5F4VTAKJZO20

- **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
- The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.
- **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective**: %	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☑ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 1 July 2022 until the end of the reference period (herein referred to as the 'reference period'), the fund promotes climate change mitigation and support for the UNGC Principles (which cover matters including human rights, labour, corruption, and environmental pollution). Additionally, the fund also seeks to avoid investments in certain activities with the potential to cause harm to human health and wellbeing by applying binding exclusions. The fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 2 – ARTICLE 8 (continued)

How did the sustainability indicators perform?

The sustainability indicators performed in line with expectations with the core long book adhering to the overall Global Compact principles as well as the ESG exclusionary screens. Additionally, the fund promoted the application of GHG intensity related criteria. Specifically, issuers were excluded if they derived any revenue from the manufacturing of controversial weapons, or more than 10% of their revenue from oil sands extraction, arctic oil and gas exploration extraction, thermal coal extraction, tobacco, fur or adult entertainment.

Issuers were also excluded if they are deemed to have failed to comply with the UNGC Principles (which cover matters including human rights, labour, corruption and environmental pollution). The fund also adhered to the Firmwide Exclusions Policy as it did not make any direct investments in the companies involved in the current manufacture of, or minority shareholding of 20% or more in a manufacturer of controversial weapons.

According to 3rd party data, no breaches to the exclusions were conducted during the reference period.

Carbon Footprint (t/million USD) – Scope 1&2:

Total Carbon emissions for a portfolio normalized by the market value of the portfolio, expressed in tons CO2e / $M invested.

Weighted Average Carbon Intensity (WACI) (t/million USD) - Scope 1&2:

Portfolios Exposure to carbon-intensive companies, expressed in tons CO2e / $M invested.

For Euro Corporate Bond Fund:

- The Carbon Footprint value of the portfolio was 49.46 (t/million USD) vs benchmark 77.02(t/million USD)
- The WACI value of the portfolio was 86.16 (t/million USD) vs benchmark 126.08 (t/million USD)

...and compared to previous periods?

Not applicable. This is the first reference period disclosing under this format.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable, the fund does not invest in Sustainable Investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable, the fund does not invest in Sustainable Investments.

▶ **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 2 – ARTICLE 8 (continued)

How were the indicators for adverse impacts on sustainability factors taken into account?

This section is not applicable, the fund does not invest in Sustainable Investments.

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

This section is not applicable, the fund does not invest in Sustainable Investments.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

As at the date of this disclosure, the Investment Manager considers the following principal adverse impacts on sustainability factors ('PAIs'):

Principal Adverse Impact	How is PAI considered?
GHG Emissions	Exclusionary screen
Carbon Footprint	Exclusionary screen
GHG Intensity of investee companies	Exclusionary screen
Exposure to companies active in fossil fuel sector	Exclusionary screen
Violations of UNGC and OECD	Exclusionary screen
Exposure to controversial weapons	Exclusionary screen

For further information please refer to the Pre-Contractual Agreement found in the Prospectus or the SFDR Website Disclosure found on the Product Page Website. Note the Principal Adverse Impacts were effective as of 19 December 2022.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 2 – ARTICLE 8 (continued)

- The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 July 2022 to 30 June 2023



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
US 5yr Note (CBT) Sep23	Bond Futures	1.33	United States
Euro-Bund Future Sep23	Bond Futures	0.74	Germany
Euro-Schatz Fut Sep23	Bond Futures	0.59	Germany
Societe Generale 0.125% 2026	Covered	0.47	France
JPMorgan Chase 1.09% 2027	Financials	0.38	United States
Morgan Stanley 4.656% 2029	Financials	0.30	United States
Verizon Communications 4.25% 2030	Telecommunications	0.29	United States
NatWest Group 1.75% 2026	Financials	0.29	United Kingdom
Diageo Capital 1.50% 2029	Consumer Goods	0.27	United Kingdom
BG Energy Capital 2.25% 2029	Oil & Gas	0.27	United Kingdom
Danske Bank 4.00% 2027	Financials	0.27	Denmark
UBS Group 3.25% 2026	Financials	0.26	Switzerland
BNP Paribas 0.875% 2030	Financials	0.26	France
Volkswagen International Finance 4.25% 2028	Consumer Goods	0.26	Germany
UBS Group 2.125% 2026	Financials	0.25	Switzerland

The list above represents the average of the fund's holdings at each quarter end during the reference period.

Appendix - additional information (unaudited) (continued)

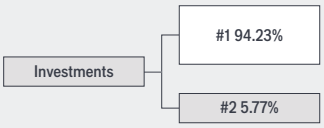
As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 2 – ARTICLE 8 (continued)

▶ **Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments? What was the asset allocation?



#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.

In which economic sectors were the investments made?

The fund made investments in the following economic sectors during the reference period, and the values shown are an average of monthly figures.

Economic Sector	% of portfolio avg over reporting period
Basic Materials	1.69
Bond Futures	10.02
Cash	-6.96
Consumer Goods	8.04
Consumer Services	6.41
Covered	2.37
Financials	46.21
Health Care	4.43
Index Swaps	-0.06
Industrials	5.83
Oil & Gas	4.18
Options	0.01
Sov, Supra & Agency	3.87
Technology	0.81
Telecommunications	4.91
Utilities	8.26

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8 (continued)

Economic Sector	% of portfolio avg over reporting period
Other Specialty REITs	3.38
Real Estate Holding & Development	14.69
Real Estate Services	2.21
Residential REITs	12.09
Retail REITs	17.66
Storage REITs	5.43
Telecommunications Services	0.99

- To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
- **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.
- **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.
- Taxonomy-aligned activities are expressed as a share of:
  - **turnover** reflecting the share of revenue from green activities of investee companies.
  - **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
  - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

This section is not applicable, the fund does not align with the EU Taxonomy.

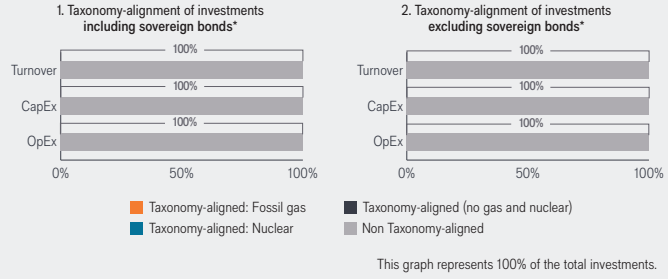
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

The graphs below show the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8 (continued)

What was the share of investments made in transitional and enabling activities?

This section is not applicable, the fund does not align with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This section is not applicable, the fund does not align with the EU Taxonomy.



▶ are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable, the fund does not align with the EU Taxonomy or hold sustainable investments.



What was the share of socially sustainable investments?

This section is not applicable, the fund does not hold sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other assets may include cash or cash equivalents in addition to instruments held for the purposes of efficient portfolio management e.g. temporary holdings of index derivatives. No minimum environmental or social safeguards are applied to such investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

No exclusionary screens were actively breached for the portfolio and compliance pre-trade controls have been applied to ensure adherence to the ESG exclusionary screens.

In addition, the team committed to a minimum of 10% of companies within the portfolio having approved or committed targets and monitored the progress of those companies against those targets.

▶ **Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8 (continued)

How does the reference benchmark differ from a broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8

Sustainability-related disclosure

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Global Technology Leaders Fund	**Legal entity identifier:** 213800QJI37OX4A6KI81

- **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
- The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.
- **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective**: % ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☑ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 1 July 2022 until the end of the reference period 30 June 2023 (herein referred to as the 'reference period'), the fund promoted climate change mitigation and support for the UNGC Principles (which cover matters including human rights, labour, corruption, and environmental pollution). Additionally, the fund also sought to avoid investments in certain activities with the potential to cause harm to human health and wellbeing by applying binding exclusions. The fund applied proxy voting and engagement in line with the Investment Manager's policy. The fund does not use a reference benchmark to attain its environmental or social characteristics. This fund underwent a change in SFDR classification on 23 December 2022.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

How did the sustainability indicators perform?

The sustainability indicators performed in line with expectations, providing a low carbon portfolio, promoting (by investing in and engaging/voting on) climate change mitigation, adhering to the UN Global Compact and OECD MNE principles, as well as the ESG exclusionary screens.

At the end of the period, the portfolio's Scope 1&2 carbon footprint was 6.96 tCO2e per $1mn invested (EVIC). This was below the MSCI ACWI Information Technology + Communication Services Index which had a value of 7.17 tCO2e per $1mn invested (EVIC). The portfolio's carbon footprint was also below that of the MSCI ACWI index, which had a value of 51.90 tCO2e per $1mn invested (EVIC).

At the end of the period, the portfolio's Scope 1&2 weighted-average carbon intensity (WACI) was 23.89 tCO2e per $1mn of revenues which was below both the MSCI ACWI Information Technology + Communication Services Index and the MSCI ACWI Index which had values of 26.98 and 132.62 tCO2e, respectively.

The Global Technology Leaders fund had lower carbon than the MSCI ACWI on all carbon metrics, during the reference period. This is due to a combination of 1) Technology being a lower carbon emitter than other higher impact sectors, 2) Technology often providing low carbon solutions, helping others to de-carbonise, 3) Exclusions and 4) Voting and engagement to promote decarbonisation. GTL also outperformed the MSCI ACWI IT + CS in the period, as we selected lower carbon and more efficient names, despite our wider definition of a Technology stock (which can lead to inclusion of higher carbon emitters), and bias towards higher growth names.

According to 3rd party data, no breaches to the exclusions were conducted during the reference period.

Issuers are excluded if they have any involvement with chemicals of concern or derive more than 5% of their revenue from the production of fossil fuels, nuclear weapons, tobacco, fur, alcohol, civilian armaments, intensive farming, nuclear power, gambling, pornography and animal testing (excluding medical testing). Issuers are also excluded if they are deemed to have failed to comply with the UNGC Principles (which cover matters including human rights, labour, corruption, and environmental pollution). The fund also applies the Firmwide Exclusions Policy (the "Firmwide Exclusions Policy"), which includes controversial weapons. The fund did not make any direct investments in the companies involved in the current manufacture of, or minority shareholding of 20% or more in a manufacturer of controversial weapons.

The fund applied proxy voting and engagement in line with the Investment Manager's policy, resulting in 114 engagements on the following topics during the reference period, as well as 732 votes.

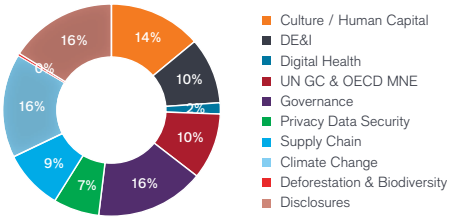
Appendix - additional information (unaudited) (continued)

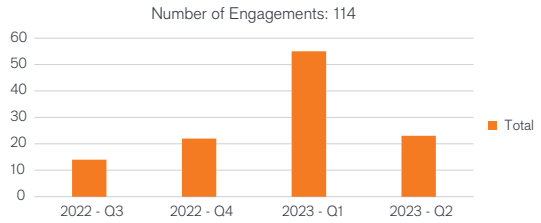
As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

	Culture / Human Capital	DE&I	Digital Health	UN GC & OECD MNE	Governance	Privacy & Data Security	Supply Chain	Climate Change	Deforestation & Biodiversity	Disclosures
Number of Engagements	81	59	10	59	95	40	53	93	2	94
% of Total No. of Engagements	14%	10%	2%	10%	16%	7%	9%	16%	0.3%	16%





Source: Janus Henderson Investors, as at 30 June 2023.

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Total for period	% of Total
Number of meetings voted	1	3	7	45	56	
Number of votable meetings	1	3	8	46	58	97%
Number of votable items	7	27	142	601	777	
Number of items voted	7	27	108	590	732	94%
Number of votes With Policy	7	27	107	586	727	
Number of votes Against Policy	0	0	1	4	5	
Number of votes With Mgmt	7	27	105	539	678	
Number of votes Against Mgmt	0	0	3	51	54	

Source: Janus Henderson Investors, as at 30 June 2023.

...and compared to previous periods?

Not applicable. This is the first reference period disclosing under this format.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable, the fund does not invest in Sustainable Investments.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

▶ **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable, the fund does not invest in Sustainable Investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

This section is not applicable, the fund does not invest in Sustainable Investments.

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

This section is not applicable, the fund does not invest in Sustainable Investments.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

PAIs are considered at the product level. The table below sets out where PAI is considered using exclusionary screens.

Principal Adverse Impact	How is PAI considered?
GHG Emissions	Exclusionary screens
Carbon Footprint	Exclusionary screens
GHG Intensity of Investee Companies	Exclusionary screens
Exposure to companies active in fossil fuel	Exclusionary screens
Violations of UNGC and OECD	Exclusionary screens
Exposure to controversial weapons	Exclusionary screens

The above, as well as alternative, PAIs are also considered through the fund applying proxy voting and engagement in line with the Investment Manager's policy, as well as promoting climate change mitigation and UN GC / OECD MNE principles.

For further information please refer to the Pre-Contractual Agreement found in the Prospectus or the SFDR Website Disclosure found on the Product Page Website. Note the Principal Adverse Impacts were effective as of 19 December 2022.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

▶ The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 July 2022 to 30 June 2023



What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Microsoft	Information Technology	9.72	United States
Alphabet	Communication Services	5.88	United States
Apple	Information Technology	5.64	United States
NVIDIA	Information Technology	4.55	United States
Visa*	Financials	1.60	United States
	Information Technology	1.84	United States
Taiwan Semiconductor Manufacturing	Information Technology	3.35	Taiwan
Tencent	Communication Services	2.93	China
Mastercard*	Financials	1.34	United States
	Information Technology	1.51	United States
Meta Platforms	Communication Services	2.46	United States
Amazon.com	Consumer Discretionary	2.04	United States
Alibaba Group	Consumer Discretionary	1.76	China
ASML	Information Technology	1.62	Netherlands
Infineon Technologies	Information Technology	1.60	Germany
Salesforce	Information Technology	1.53	United States
Uber Technologies	Industrials	1.45	United States

The list above represents the average of the fund's holdings at each quarter end during the reference period.

* Sectors are as at June 2023. The securities moved from IT to Financials sector during the reference period.

Appendix - additional information (unaudited) (continued)

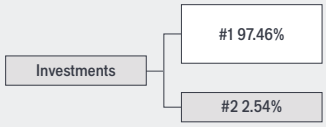
As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

▶ **Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments? What was the asset allocation?



#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.

In which economic sectors were the investments made?

The fund made investments in the following economic sectors during the reference period, and the values shown are an average of monthly figures.

Economic Sector	% of portfolio avg over reporting period
Auto Components	0.57
Automobiles	0.52
Broadline Retail	5.86
Capital Markets	0.99
Cash and Bonds	2.77
Communications Equipment	2.29
Diversified Telecommunication Services	1.96
Electrical Equipment	0.44
Electronic Equipment, Instruments & Components	5.15
Entertainment	2.29
Equity Real Estate Investment Trusts (REITs)	1.06
Equity REITs	1.05
Financial Services	8.17
Ground Transportation	1.84
Health Care Equipment & Supplies	1.38
Hotels, Restaurants & Leisure	1.40
Interactive Media & Services	12.39
Internet and Direct Marketing Retail	4.63
IT Services	7.88

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

Economic Sector	% of portfolio avg over reporting period
Machinery	0.36
Road & Rail	2.06
Semiconductors & Semiconductor Equipment	19.87
Software	24.14
Technology Hardware, Storage & Peripherals	6.49
Wireless Telecommunication Services	1.60

The list above represents the economic sectors of the fund's holdings during the reference period.

- To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
- **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.
- **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

This section is not applicable, the fund does not align with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

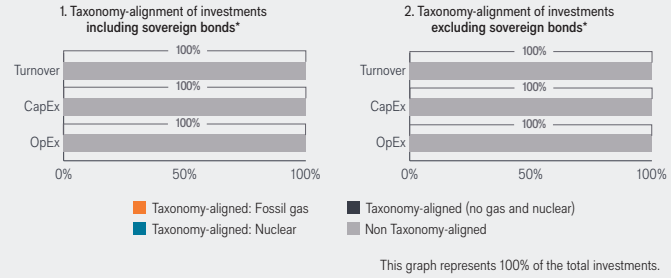
Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

- Taxonomy-aligned activities are expressed as a share of:
  - **turnover** reflecting the share of revenue from green activities of investee companies.
  - **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
  - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

- are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The graphs below show the percentage of investments that were 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.



This graph represents 100% of the total investments.

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

This section is not applicable, the fund does not align with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This section is not applicable, the fund does not align with the EU Taxonomy.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable, the fund does not align with the EU Taxonomy or hold sustainable investments.

What was the share of socially sustainable investments?

This section is not applicable, the fund does not hold sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other assets may include cash or cash equivalents in addition to instruments held for the purposes of efficient portfolio management, e.g. temporary holdings of index derivatives. No minimum environmental or social safeguards are applied to such investments.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Every investment considered for inclusion in the fund is evaluated as per the considerations listed below.

- No exclusionary screens or other binding commitments were actively breached by the fund and compliance pre-trade controls have been applied to ensure adherence to the ESG exclusionary screens.
- The fund applied proxy voting and engagement in line with the Investment Manager's policy, for example through systematic engagement letters and action plans.
- Fundamental company analysis enhanced the Investment Manager's promotion of climate change mitigation and support for the UN GC and OECD MNE Principles (which cover matters including human rights, labour, corruption, and environmental pollution). ESG ranking, data, controversy monitoring, and materiality assessments, amongst others, enhance our processes.
- The Investment Manager also integrates ESG analysis into valuation. This is documented in the published Whitepaper focusing on the relationship between ESG performance and valuation. Measured action plans are instated for ESG laggards to encourage tangible improvement and progress.

▶ **Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How does the reference benchmark differ from a broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 12 – ARTICLE 8 (continued)

How did this financial product perform compared with the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8

Sustainability-related disclosure

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pan European Absolute Return Fund	**Legal entity identifier:** 213800SJOFGYRHL3M492

- **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
- The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.
- **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective**: % ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☑ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 1 July 2022 to the end of the reference period, the fund promoted support for the UNGC principles (which cover matters including human rights, labour, corruption, and environmental pollution). The fund also avoided investments in certain activities with the potential to cause harm to human health and wellbeing by applying binding exclusions. The fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

How did the sustainability indicators perform?

The sustainability indicators performed in line with expectations with the portfolio applying the ESG exclusionary screens and UNGC compliance to the long book.

Specifically, issuers were excluded from the long book if they derive more than 10% of their revenue from thermal coal extraction, shale energy extraction, oil sands extraction, or arctic oil and gas drilling and exploration. Issuers were also excluded if they are deemed to have failed to comply with the UNGC Principles (which cover matters including human rights, labour, corruption and environmental pollution).

The fund also adhered to the Firmwide Exclusions Policy as it did not make any direct investments in the companies involved in the current manufacture of, or minority shareholding of 20% or more in a manufacturer of controversial weapons.

...and compared to previous periods?

Not applicable. This is the first reference period disclosing under this format.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable, the fund does not invest in Sustainable Investments.

▶ **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable, the fund does not invest in Sustainable Investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

This section is not applicable, the fund does not invest in Sustainable Investments.

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

This section is not applicable, the fund does not invest in Sustainable Investments.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The portfolio does not consider PAIs.



What were the top investments of this financial product?

▶ The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 July 2022 to 30 June 2023

Largest investments	Sector	% Assets	Country
LVMH Moet Hennessy Louis Vuitton	Consumer Discretionary	2.50	France
Compass Group	Consumer Discretionary	2.33	United Kingdom
Shell	Energy	2.09	United Kingdom
RWE	Utilities	2.01	Germany
Novo Nordisk	Health Care	1.97	Denmark
Unilever	Consumer Staples	1.92	United Kingdom
HUGO BOSS	Consumer Discretionary	1.85	Germany
Kuehne + Nagel International	Industrials	1.52	Switzerland
Danone	Consumer Staples	1.48	France
Safran	Industrials	1.27	France
UPM-Kymmene	Materials	1.25	Finland
Cie de Saint-Gobain	Industrials	1.19	France
BP	Energy	1.01	United Kingdom
NestlÃ©	Consumer Staples	0.88	Switzerland
Rio Tinto	Materials	0.88	UK

The list above represents the average of the fund's holdings at each quarter end during the reference period.

Appendix - additional information (unaudited) (continued)

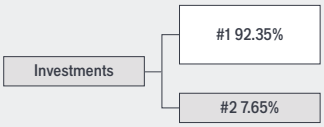
As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

▶ **Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments? What was the asset allocation?



#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.

In which economic sectors were the investments made?

The fund made investments in the following economic sectors during the reference period, and the values shown are an average of monthly figures.

Economic Sector	% of portfolio avg over reporting period
Cash	6.31
Cash and Bond	51.96
Communication Services	-0.80
Consumer Discretionary	7.25
Consumer Staples	3.66
Energy	5.52
Financials	4.68
Health Care	0.70
Index Derivatives	1.08
Industrials	10.31
Information Technology	7.10
Materials	5.60
Real Estate	-0.46
Utilities	0.92

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

- To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
- **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.
- **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.
- Taxonomy-aligned activities are expressed as a share of:
  - **turnover** reflecting the share of revenue from green activities of investee companies.
  - **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
  - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

This section is not applicable, the fund does not align with the EU Taxonomy.

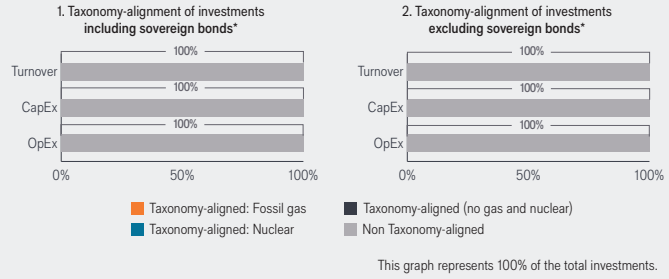
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

The graphs below show the percentage of investments that were 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.



This graph represents 100% of the total investments.

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

This section is not applicable, the fund does not align with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This section is not applicable, the fund does not align with the EU Taxonomy.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

▶  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable, the fund does not align with the EU Taxonomy or hold sustainable investments.



What was the share of socially sustainable investments?

This section is not applicable, the fund does not hold sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other assets may include cash or cash equivalents in addition to instruments held for the purposes of efficient portfolio management e.g. temporary holdings of index derivatives and short equity positions. No minimum environmental or social safeguards are applied to such investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

No exclusionary screens were actively breached for the portfolio and compliance pre-trade controls have been applied to ensure adherence to the ESG exclusionary screens.

▶ **Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How does the reference benchmark differ from a broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 13 – ARTICLE 8 (continued)

How did this financial product perform compared with the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 14 – ARTICLE 8

Sustainability-related disclosure

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Pan European Property Equities Fund	**Legal entity identifier:** 213800UJGEEKJEUMF834

- **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
- The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.
- **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective**: % ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☑ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 31 October 2022 until the end of the reference period (herein referred to as the 'reference period'), the fund promotes climate change mitigation through the adoption of GHG emission reductions targets and support for the UN Global Compact Principles (which cover matters including human rights, labour, corruption, and environmental pollution). The fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 14 – ARTICLE 8 (continued)

How did the sustainability indicators perform?

The sustainability indicators performed in line with expectations with the portfolio adhering to the overall UN Global Compact principles as well as the ESG exclusionary screens and screens to avoid investment in certain high carbon activities.

Issuers were excluded if they were deemed to have failed to comply with the UNGC Principles (which cover matters including human rights, labour, corruption and environmental pollution).

In addition, the Investment Manager actively engaged with companies to encourage the adoption of science-based emission targets, or a verified commitment to adopt science-based emissions targets, as defined by the Science Based Target Initiative.

The Investment Manager committed a minimum of 10% of companies within the portfolio having approved or committed targets and monitored the progress of those companies against those targets.

The fund also adhered to the Firmwide Exclusions Policy as it did not make any direct investments in the companies involved in the current manufacture of, or minority shareholding of 20% or more in a manufacturer of controversial weapons.

As at 30 June 2023, around 53% of portfolio companies had either committed or approved science-based emissions targets.

...and compared to previous periods?

Not applicable. This is the first reference period disclosing under this format.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable, the fund does not invest in Sustainable Investments.

▶ **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable, the fund does not invest in Sustainable Investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

This section is not applicable, the fund does not invest in Sustainable Investments.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 14 – ARTICLE 8 (continued)

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

This section is not applicable, the fund does not invest in Sustainable Investments.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

As at the date of this disclosure, the Investment Manager considers the following principal adverse impacts on sustainability factors ('PAIs'):

Principal Adverse Impact	How is PAI considered?
GHG emissions	Through engagement with companies
Carbon footprint	Through engagement with companies
GHG Intensity of investee companies	Through engagement with companies
Violations of UNGC and OECD	Exclusionary Screen
Exposure to controversial weapons	Exclusionary screen

For further information please refer to the Pre-Contractual Agreement found in the Prospectus or the SFDR Website Disclosure found on the Product Page Website. Note the Principal Adverse Impacts were effective as of 19 December 2022.



What were the top investments of this financial product?

▶ The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 October 2022 to 30 June 2023

Largest investments	Sector	% Assets	Country
Vonovia	Real Estate	8.41	Germany
Segro	Real Estate	7.80	United Kingdom
Land Securities Group	Real Estate	5.14	United Kingdom
LEG Immobilien	Real Estate	4.99	Germany
Gecina	Real Estate	4.96	France

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

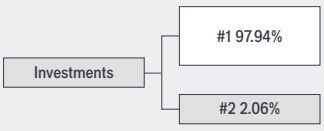
ANNEX 14 – ARTICLE 8 (continued)

Largest investments	Sector	% Assets	Country
PSP Swiss Property	Real Estate	4.75	Switzerland
Merlin Properties Socimi	Real Estate	4.55	Spain
Safestore	Real Estate	4.30	United Kingdom
UNITE Group	Real Estate	3.85	United Kingdom
Cellnex Telecom	Real Estate	3.47	Spain
Tritax Big Box REIT	Real Estate	3.33	United Kingdom
Aedifica	Real Estate	2.63	Belgium
VGP	Real Estate	2.62	Belgium
Castellum	Real Estate	2.58	Sweden
Fastighets AB Balder	Real Estate	1.71	Sweden

The list above represents the average of the fund's holdings at each quarter end during the reference period.

▶ **Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments? What was the asset allocation?



#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.

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Janus Henderson Fund – Absolute Return Fund
Legal entity identifier:213800KHR3DA4ELZN939

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective: ___%**	☐ 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 ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: ___%**	X It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

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

The Fund promotes support for the UNGC principles (which cover matters including human rights, labour, corruption, and environmental pollution).
The Fund also seeks to avoid investments in certain activities with the potential to cause harm to human health and wellbeing by applying binding exclusions.

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

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

• Overall Global Compact Compliance Status of the core long book

• ESG exclusionary screens applied to the core long book – see *"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?"* below for details on the exclusions.

- ***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?***

  Not applicable

- ***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?***

  Not applicable

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

  Not applicable

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

  Not applicable

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.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

	Yes
X	No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

This Fund seeks a positive absolute return through global equity markets and specifically through a majority investment in the UK.

The binding elements of the investment strategy described below are implemented as exclusionary screens on core long positions which are coded into the compliance module of the Investment Managers order management system utilising third-party data provider(s) on an ongoing basis. The exclusionary screens are implemented on both a pre and post trade basis enabling the sub investment advisor to block any proposed transactions in an excluded security and identify any changes to the status of holdings when third-party data is periodically updated.

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 Investment Manager uses specific screens to its core long positions to help achieve some of the promoted characteristics. For example- to promote climate change mitigation, screens are applied to avoid investment in certain high carbon activities, and it is expected that this will result in the fund having a lower carbon profile. Another example is that to promote support for the UNGC Principles, screens are applied so that the Fund does not invest in issuers that are in breach of the UNGC Principles based on third party data and/or internal research.

The Investment Manager applies screens to its core long positions to exclude direct investment in issuers based on their involvement in certain activities. Specifically, issuers are excluded if they derive more than 10% of their revenue from thermal coal extraction, shale energy extraction, oil sands extraction, or arctic oil and gas drilling or exploration. Issuers are also excluded if they are deemed to have failed to comply with the UN Global Compact Principles
(which cover matters including human rights, labour, corruption, and environmental pollution).

The Fund also applies the Firmwide Exclusions Policy(the "Firmwide Exclusions Policy"), which includes controversial weapons:

This applies to all the investment decisions made by the Management Company or Investment Manager. The Firmwide Exclusions Policy may be updated from time to time.

Presently, investment is not permitted in entities involved in the current manufacture of, or minority shareholding of 20% or greater in a manufacturer of controversial weapons, namely:

- Cluster munitions;

- Anti-Personnel mines;
- Chemical weapons;
- Biological weapons.

Classification of issuers is primarily based on activity identification fields supplied by our third-party ESG data providers. This classification is subject to an investment research override in cases where sufficient evidence exists that the third-party data field is not accurate or appropriate. In any scenario where a portfolio position is identified as not meeting this exclusion criteria for any reason (legacy holding, transition holding, etc.) the Investment Manager shall be granted 90 days to review or challenge the classification of the issuer if appropriate. After this period, in the event an investment research override is not granted divestment is required immediately under normal market trading circumstances.

The Investment Manager also applies screens to its core long positions to exclude ESG laggards.

The Investment Manager carries out its review from an ESG perspective (i.e. 'extra-financial analysis') on at least 90% of the core long positions.

The Investment Manager may only invest in companies that would be excluded by the screens described above if the Investment Manager believes, based on its own research and as approved by its ESG Oversight Committee, that the third-party data used to apply the exclusions is insufficient or inaccurate.

The Investment Manager may consider that the data is insufficient or inaccurate if, for example, the third-party data provider research is historic, vague, based on out of date sources, or the investment manager has other information to make them doubt the accuracy of the research.

If the Investment Manager wishes to challenge the third-party data, then the challenge is presented to a cross-functional ESG Oversight Committee who must sign off on the "override" of the third-party data.

If a third party data provider does not provide research on a specific issuer or excluded activity, the Investment Manager may invest if, through its own research, it is satisfied that the issuer is not involved in the excluded activity.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy***

There is no committed minimum rate.

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

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The companies in which investments are assessed by the Investment Manager to follow good governance practices.

The good governance practices of investee companies are assessed prior to making an investment and periodically thereafter in accordance with the Sustainability Risk Policy ("Policy").

The Policy sets minimum standards against which investee companies will be assessed and monitored by the Investment Manager prior to making an investment and on an ongoing basis. Such standards may include, but are not
limited to: sound management structures, employee relations, remuneration of staff and tax compliance.

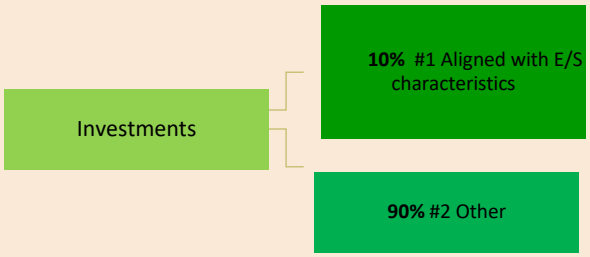
The Policy can be found incorporated within Janus Henderson's "ESG Investment Policy" in the "About Us – Environmental, Social and Governance (ESG)" section of the website at **www.janushenderson.com**.

In addition, the Investment Manager is a signatory to the UN Principles for Responsible Investment (UNPRI). As a signatory, the good governance practices of investee companies are also assessed by having regard to the
UNPRI principles prior to making an investment and periodically thereafter.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

A minimum of 10% of the deployed capital of the financial product (i.e., gross exposure) is used to meet the environmental or social characteristics promoted by the financial product. Generally, the expected range would be between 10 – 50% of the deployed capital, as the core long investment allocation that promotes sustainable characteristics will vary across economic and stock market cycles. Other assets, which are not used to meet the environmental or social characteristics, may include cash or cash equivalents, instruments held for the purposes of efficient portfolio management, short term tactical positions, short equity positions or holdings of index derivatives.



#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.

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

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund will usually use derivatives to gain synthetic exposure to attain the environmental and social characteristics described above.

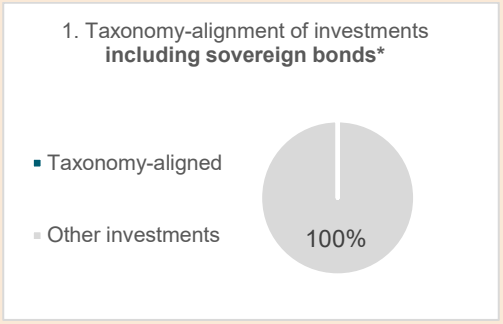
are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

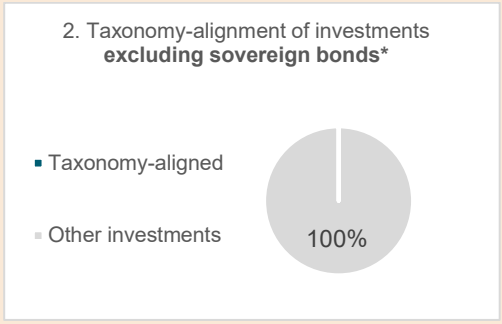
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable.
The proportion of investments in the Fund which are aligned with the EU Taxonomy is 0%. Although the EU Taxonomy provides an ambitious framework to determine the environmental sustainability of economic activities, the EU Taxonomy does not comprehensively cover all industries and sectors, or all environmental objectives. The Investment Manager uses its own methodology to determine whether investments selected for the Fund are promoting environmental characteristics in accordance with the SFDR rules.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

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

Not applicable

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels

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

Not applicable

What is the minimum share of socially sustainable investments?

Not applicable

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

Other assets may include cash or cash equivalents in addition to instruments held for the purposes of efficient portfolio management, short term tactical positions, short equity positions or temporary holdings of index derivatives. No minimum environmental or social safeguards are applied to such investments.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***
  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***
  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***
  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***
  Not applicable.

Where can I find more product specific information online?

More product-specific information can be found at **https://www.janushenderson.com/en-lu/investor/eu-sfdr-absolute-return-fund/**.

Further information as to how Janus Henderson approach ESG, includingJanus Henderson's "ESG Investment Policy", can be found in the "About Us –Environmental, Social and Governance (ESG)" section of the website at **www.janushenderson.com**

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 10 – ARTICLE 8 (continued)

- To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.
- **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.
- **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.
- Taxonomy-aligned activities are expressed as a share of:
  - **turnover** reflecting the share of revenue from green activities of investee companies.
  - **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
  - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

This section is not applicable, the fund does not align with the EU Taxonomy.

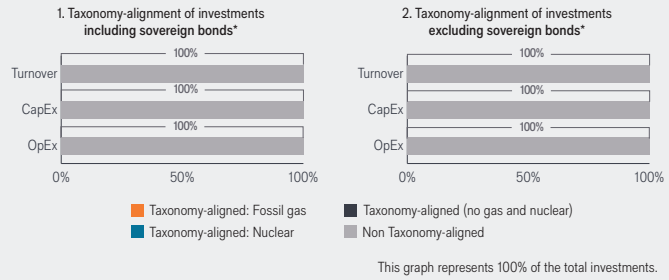
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

The graphs below show the percentage of investments that were 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.



This graph represents 100% of the total investments.

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

This section is not applicable, the fund does not align with the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

This section is not applicable, the fund does not align with the EU Taxonomy.

[1]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 10 – ARTICLE 8 (continued)

▶  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

This section is not applicable, the fund does not align with the EU Taxonomy or hold sustainable investments.



What was the share of socially sustainable investments?

This section is not applicable, the fund does not hold sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Other assets included cash or cash equivalents in addition to instruments held for the purposes of efficient portfolio management e.g. temporary holdings of index derivatives. No minimum environmental or social safeguards were applied to such investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

No exclusionary screens were actively breached for the portfolio and compliance pre-trade controls have been applied to ensure adherence to the ESG exclusionary screens.

In addition, the team committed to a minimum of 10% of companies within the portfolio having approved or committed targets and monitored the progress of those companies against those targets.

▶ **Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How does the reference benchmark differ from a broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 10 – ARTICLE 8 (continued)

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the reference benchmark?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

How did this financial product perform compared with the broad market index?

This section is not applicable, the fund does not use a reference benchmark to attain its environmental or social characteristics.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8

Sustainability-related disclosure

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Global Property Equities Fund	Legal entity identifier: 213800JUO8N42HYG8F65

- **Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.
- The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.
- **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ It made **sustainable investments with an environmental objective**: %	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: %	☑ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 31 October 2022 until the end of the reference period (herein referred to as the 'reference period'), the fund promotes climate change mitigation through the adoption of GHG emission reductions targets and support for the UN Global Compact Principles (which cover matters including human rights, labour, corruption, and environmental pollution). The fund also seeks to avoid investments in certain activities with the potential to cause harm to human health and wellbeing by applying binding exclusions.

Accordingly, the team applies screens to exclude companies deemed to have failed to comply with the UNGC Principles. The team also excludes direct investment in Prison Real Estate Investment Trusts (REITS) and applies the Firmwide Exclusions Policy.

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

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8 (continued)

How did the sustainability indicators perform?

The sustainability indicators performed in line with expectations with the portfolio adhering to the overall UN Global Compact principles and science-based-emission targets.

More specifically, issuers were excluded if they were deemed to have failed to comply with the UNGC Principles (which cover matters including human rights, labour, corruption and environmental pollution). In addition, the Investment Manager actively engaged with companies to encourage the adoption of science-based emission targets, or a verified commitment to adopt science-based emissions targets, as defined by the Science Based Target Initiative. The Investment Manager committed a minimum of 10% of companies within the portfolio having approved or committed targets and monitored the progress of those companies against those targets. As at 30 June 2023, around 48% of portfolio companies had either committed or approved science-based emissions targets.

The fund also adhered to the Firmwide Exclusions Policy as it did not make any direct investments in the companies involved in the current manufacture of, or minority shareholding of 20% or more in a manufacturer of controversial weapons.

...and compared to previous periods?

Not applicable. This is the first reference period disclosing under this format.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

This section is not applicable, the fund does not invest in Sustainable Investments.

▶ **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

This section is not applicable, the fund does not invest in Sustainable Investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

This section is not applicable, the fund does not invest in Sustainable Investments.

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

This section is not applicable, the fund does not invest in Sustainable Investments.

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

ANNEX 11 – ARTICLE 8 (continued)

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

As at the date of this disclosure, the Investment Manager considers the following principal adverse impacts on sustainability factors ('PAIs'):

Principal Adverse Impact	How is PAI considered?
GHG emissions	Through engagement with companies
Carbon footprint	Through engagement with companies
GHG Intensity of investee companies	Through engagement with companies
Share of investments in investee companies involved in the manufacture or selling of controversial weapons	Exclusionary screen
Violations of UNGC and OECD	Exclusionary screen

For further information please refer to the Pre-Contractual Agreement found in the Prospectus or the SFDR Website Disclosure found on the Product Page Website. Note the Principal Adverse Impacts were effective as of 19 December 2022.



What were the top investments of this financial product?

▶ The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 October 2022 to 30 June 2023

Largest investments	Sector	% Assets	Country
Prologis	Real Estate	8.74	United States
VICI Properties	Real Estate	4.92	United States
Welltower	Real Estate	4.19	United States
NNN REIT	Real Estate	3.22	United States
Alexandria Real Estate Equities	Real Estate	3.10	United States
Mitsui Fudosan	Real Estate	3.10	Japan
Spirit Realty Capital	Real Estate	3.01	United States

Appendix - additional information (unaudited) (continued)

As at 30 June 2023

Sustainable Finance Disclosure Regulation (SFDR) and EU Taxonomy Regulation (continued)

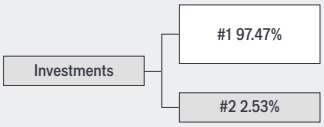
ANNEX 11 – ARTICLE 8 (continued)

Largest investments	Sector	% Assets	Country
Rexford Industrial Realty	Real Estate	2.41	United States
CubeSmart	Real Estate	2.33	United States
Sun Communities	Real Estate	2.31	United States
UDR	Real Estate	2.25	United States
Healthpeak Properties	Real Estate	2.24	United States
SITE Centers	Real Estate	2.03	United States
Digital Realty Trust	Real Estate	1.88	United States
Camden Property Trust	Real Estate	1.79	United States

The list above represents the average of the fund's holdings at each quarter end during the reference period.

▶ **Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments? What was the asset allocation?



#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.

In which economic sectors were the investments made?

The fund made investments in the following economic sectors during the reference period, and the values shown are an average of monthly figures.

Economic Sector	% of portfolio avg over reporting period
Cash	2.36
Diversified REITs	4.53
Health Care REITs	6.27
Home Construction	1.37
Hotel & Lodging REITs	5.91
Industrial REITs	17.17
Infrastructure REITs	1.55
Office REITs	7.62

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Nome del prodotto: JPMorgan Funds - China A-Share Opportunities Fund

Identificativo della persona giuridica: 5493005GW3195MJJOZ40

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso caratteristiche ambientali/sociali (A/S) e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 57,68% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 10% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva il 92,64% di investimenti con caratteristiche ambientali e/o sociali positive e il 57,68% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente le società impegnate nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altre, come quelle che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso le società che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento alle imprese che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il Periodo di riferimento imprese che sarebbero state vietate ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in imprese di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un'impresa dei relativi aspetti ambientali o sociali come le sue emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità di genere/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere inclusa nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un'impresa deve conseguire un punteggio ambientale o sociale compreso nell'80% di quelli maggiormente elevati in relazione alle imprese di pari grado e attuare le buone prassi di governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva il 92,64% di investimenti con caratteristiche ambientali e/o sociali positive e il 57,68% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di una società alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato sono stati costituiti da qualsiasi singolo o combinazione dei seguenti obiettivi durante il periodo di riferimento:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare

Obiettivi sociali: (i) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale, (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) realizzazione di un ambiente di lavoro e di una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato mediante: (i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un'impresa che produca pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti di contributo alla mitigazione del rischio climatico. L'attuale percentuale di ricavi è fissata ad un minimo del 20% e l'intera partecipazione nella società è considerata un investimento sostenibile; o (ii) essere un leader operativo del gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio entro il top 20% rispetto ai pari, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio entro il top 20% rispetto ai pari sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare.

Il contributo effettivo a tali obiettivi può essere compreso considerando l'effettiva % di asset allocata agli investimenti sostenibili per il periodo di riferimento. Il Comparto era tenuto a investire l' 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 57,68% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli investimenti sostenibili che il Comparto intendeva in parte realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere dalla qualifica di investimento sostenibile, le imprese che il Gestore degli Investimenti considerava come aventi realizzato le performance peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo le imprese che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere le imprese che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la

quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente). Gli indicatori da 10 a 14 riguardano le questioni sociali e occupazionali di un'impresa e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere le imprese che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinate imprese, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dalle stesse imprese partecipate e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dalle imprese o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10 e 14 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali e le armi controverse. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare le imprese partecipate in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti ha utilizzato i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra.

In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, sono stati utilizzati dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcune imprese come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune imprese partecipate sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcune imprese partecipate sottostanti, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione alle emissioni o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a qualificare un investimento come investimento sostenibile. Uno dei percorsi richiedeva che un'impresa fosse considerata come un'impresa operativa leader di un gruppo di pari per poter essere qualificata come investimento sostenibile. Ciò richiedeva un punteggio relativo all'indicatore incluso nel 20% superiore rispetto ai pari.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

_ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

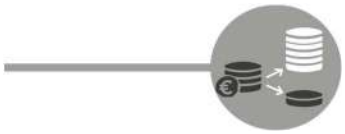
Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. In relazione a tale screening sono stati utilizzati gli indicatori 10 e 14 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle armi controverse degli Standard Tecnici Regolamentari SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con le imprese partecipate in base alla loro rispettiva performance PAI (principali impatti avversi).



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patrimonio	Paese
KWEICHOW MOUTAI CO LTD-A	Beni di consumo	6,95	Cina
PING AN INSURANCE GROUP CO-H	Settore finanziario	3,48	Cina
CHINA MERCHANTS BANK-H	Settore finanziario	2,97	Cina
CHINA YANGTZE POWER CO LTD-A	Servizi di pubblica utilità	2,76	Cina
LUZHOU LAOJIAO CO LTD-A	Beni di consumo	2,61	Cina
CONTEMPORARY AMPEREX TECHN-A	Settore industriale	2,29	Cina
ZHEJIANG JINGSHENG MECHANI-A	Informatica	2,17	Cina
SHENZHEN MINDRAY BIO-MEDIC-A	Settore sanitario	2,08	Cina
BEIJING KINGSOFT OFFICE SO-A	Informatica	2,08	Cina
NINGBO TUOPU GROUP CO LTD-A	Beni di consumo discrezionali	2,04	Cina
WANHUA CHEMICAL GROUP CO -A	Materiali	2,03	Cina
FOCUS MEDIA INFORMATION TE-A	Servizi di comunicazione	2,02	Cina
HUNDSUN TECHNOLOGIES INC-A	Informatica	1,92	Cina
SHENZHEN INOVANCE TECHNOLO-A	Settore industriale	1,88	Cina
PING AN BANK CO LTD-A	Settore finanziario	1,86	Cina



Qual è stata la percentuale di investimenti legati alla sostenibilità?

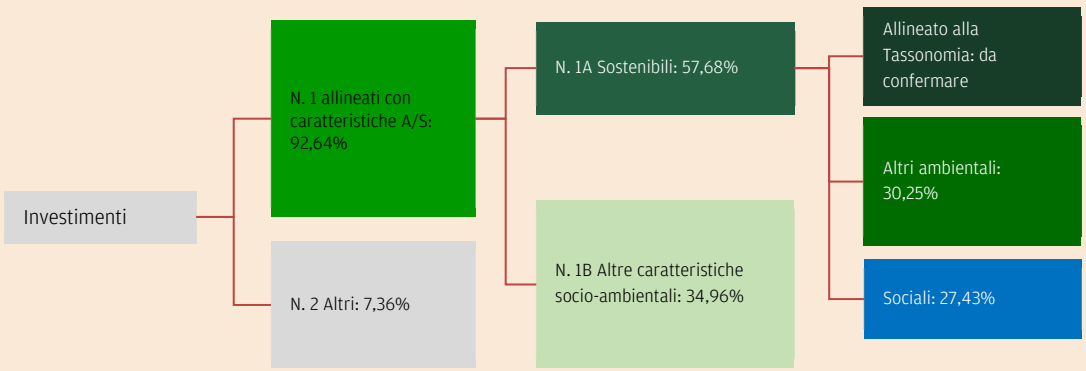
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento, il Comparto ha allocato il 92,64% del suo patrimonio a imprese che presentavano caratteristiche ambientali e/o sociali positive e il 57,68% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può aver investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco seguente per una ripartizione settoriale alla fine del periodo di riferimento Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune società partecipate sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patrimonio
Servizi di comunicazione	Mass media e intrattenimento	2,02
Beni di consumo discrezionali	Automobili e componenti	3,84
Beni di consumo discrezionali	Beni di consumo durevoli e abbigliamento	1,79
Beni di consumo	Distribuzione e vendita al dettaglio di beni di prima necessità	0,46
Beni di consumo	Alimenti, bevande e tabacco	16,61
Beni di consumo	Prodotti per la casa e la persona	0,59
Settore finanziario	Banche	6,64
Settore finanziario	Assicurazione	4,48
Settore sanitario	Servizi e attrezzature sanitarie	4,53
Settore sanitario	Prodotti farmaceutici biotecnologie e scienze della vita	4,28
Settore industriale	Beni strumentali	14,51
Settore industriale	Servizi commerciali e professionali	0,89
Settore industriale	Trasporti	1,59
Informatica	Semiconduttori e attrezzature per semiconduttori	13,36

Informatica	Software e servizi	7,32
Informatica	Attrezzature e hardware tecnologici	6,81
Materiali	Materiali	6,49
Servizi di pubblica utilità	Servizi di pubblica utilità	3,45

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di imprese renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

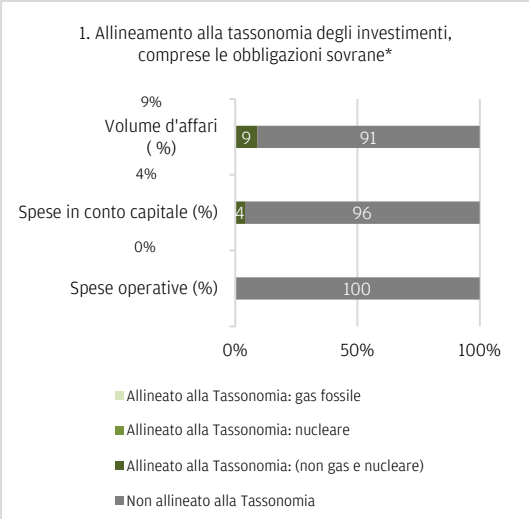
☐ Sì

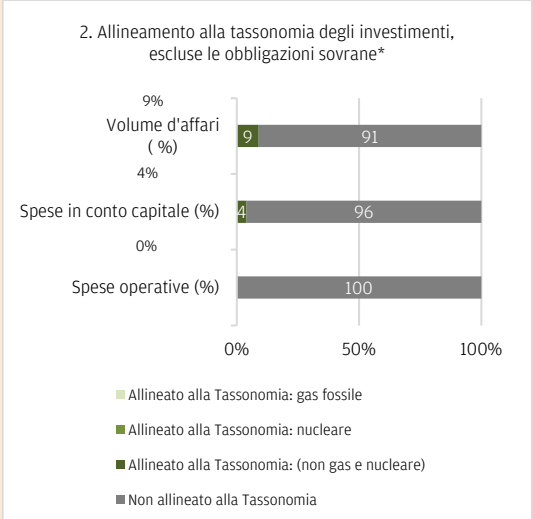
☐ In gas fossile ☐ In energia nucleare

☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.
- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





Questo grafico rappresenta 13% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta il 5,58%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 30,25% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 27,43% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria "altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 7,36% degli attivi in investimenti "altri" è costituito da società che non soddisfano i criteri descritti in risposta alla domanda precedente, intitolata "Qual è stata la prestazione degli indicatori di sostenibilità?" per essere qualificate come imprese che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce "altri". Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.

- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio "Non arrecare danno significativo", come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L'obbligo di investire almeno il 51% del patrimonio in imprese con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione agli emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutte le imprese in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno l' 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda "Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?"



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

- ***In quale modo l'indice di riferimento differiva da un indice generale di mercato?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Modello di informativa periodica per i prodotti finanziari di cui all'Articolo 8, paragrafi 1, 2 e 2a, del Regolamento (UE) 2019/2088 e all'Articolo 6, primo paragrafo, del Regolamento (UE) 2020/852

Nome del prodotto: **JPMorgan Investment Funds - Europe Strategic Dividend Fund**

Identificativo della persona giuridica: **549300LJVLXHDN1S7Q15**

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso **caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 61,16% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali e un minimo di 10% in investimenti sostenibili. Questo impegno è stato rispettato per tutto il periodo di riferimento (1 gennaio 2022 - 31 dicembre 2022). Alla fine del periodo di riferimento, il Comparto deteneva il 85,18% di investimenti con caratteristiche ambientali e/o sociali e il 61,16% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti,

il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente le società impegnate nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altre, come quelle che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso le società che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il Periodo di Riferimento alle imprese che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il Periodo di riferimento imprese che sarebbero state vietate ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in imprese di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove..

La metodologia era basata sulla gestione da parte di un'impresa dei relativi aspetti ambientali o sociali come le emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere inclusa nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un'impresa deve conseguire un punteggio ambientale o sociale compreso nell'80% di quelli maggiormente elevati in relazione alle imprese di pari grado e attuare le buone prassi di governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva il 85,18% di investimenti con caratteristiche ambientali e/o sociali e il 61,16% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di una società alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato sono stati costituiti da qualsiasi singolo o combinazione dei seguenti obiettivi durante il Periodo di riferimento:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare

Obiettivi sociali: (i) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale, (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) realizzazione di un ambiente di lavoro e di una cultura dignitosi

Il contributo a tali obiettivi può essere compreso considerando l'effettiva % del patrimonio allocato agli investimenti sostenibili per il periodo di riferimento. Il Comparto era tenuto a investire il 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 61,16% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli investimenti sostenibili che il Comparto intendeva in parte realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere dalla qualifica di investimento sostenibile, le imprese che il Gestore degli Investimenti considerava come aventi realizzato le performance peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo le imprese che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.
Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere le imprese che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 degli Standard tecnici regolamentari SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente). Gli indicatori da 10 a 14 riguardano le questioni sociali e occupazionali di un'impresa e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere le imprese che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinate imprese, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dalle stesse imprese partecipate e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dalle imprese o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10 e 14 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali e le armi controverse. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare le imprese partecipate in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti ha utilizzato i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra.

In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, sono stati utilizzati dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcune imprese come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune imprese partecipate sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcune imprese partecipate sottostanti, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione alle emissioni o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a qualificare un investimento come investimento sostenibile. Uno dei percorsi richiedeva che un'impresa fosse considerata come un'impresa operativa leader di un gruppo di pari per poter essere qualificata come investimento sostenibile. Ciò richiedeva un punteggio relativo all'indicatore incluso nel 20% superiore rispetto ai pari.

→ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In quale misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

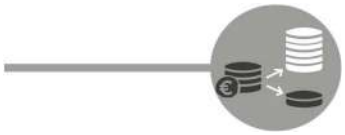
Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. In relazione a tale screening sono stati utilizzati gli indicatori 10 e 14 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle armi controverse degli Standard Tecnici Regolamentari SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di sostenibilità avversi è stato utilizzato per determinare l'impegno con le imprese partecipate in base alla loro rispettiva performance PAI (principali impatti avversi).



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 01/01/2022 - 31/12/2022

Maggiori investimenti	Settore	% del patri-monio	Paese
NESTLE SA	BENI DI CONSUMO	3,69	Svizzera
NOVARTIS AG	SETTORE SANITARIO	2,65	Svizzera
NOVO NORDISK A/S	SETTORE SANITARIO	2,63	Danimarca
SHELL PLC	ENERGIA	2,58	Regno Unito
LVMH MOET HENNESSY LOUIS VUITTON SE	BENI DI CONSUMO DISCREZIONALI	2,44	Francia
TOTALENERGIES SE	ENERGIA	2,28	Francia
ROCHE HOLDING AG	SETTORE SANITARIO	1,89	Svizzera
HSBC HOLDINGS PLC.	SETTORE FINANZIARIO	1,80	Regno Unito
ASTRAZENECA PLC	SETTORE SANITARIO	1,76	Regno Unito
BP P.L.C.	ENERGIA	1,71	Regno Unito
UNILEVER PLC	BENI DI CONSUMO	1,69	Regno Unito
RIO TINTO PLC	MATERIALI	1,43	Regno Unito
ALLIANZ SE	SETTORE FINANZIARIO	1,37	Germania
DIAGEO PLC	BENI DI CONSUMO	1,35	Regno Unito
SANOFI SA	SETTORE SANITARIO	1,33	Francia

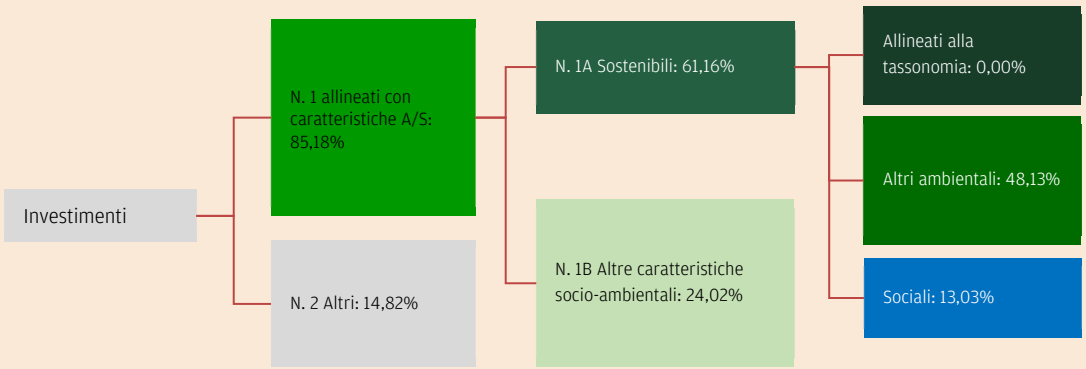
Qual è stata la percentuale di investimenti legati alla sostenibilità?

La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento, il Comparto ha allocato il 85,18% del suo patrimonio a imprese che presentano caratteristiche ambientali e/o sociali positive e il 61,16% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può avere investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco riportato di seguito. Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune società partecipate sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM sono inclusi nel denominatore per la % di asset riportata nella tabella sottostante.

Settore	Sotto-settore	% del patrimonio
SERVIZI DI COMUNICAZIONE	MASS MEDIA E INTRATTENIMENTO	0,91
SERVIZI DI COMUNICAZIONE	SERVIZI DI TELECOMUNICAZIONE	2,53
BENI DI CONSUMO DISCREZIONALI	AUTOMOBILI E COMPONENTI	2,98
BENI DI CONSUMO DISCREZIONALI	BENI DI CONSUMO DUREVOLI E ABBIGLIAMENTO	4,90

BENI DI CONSUMO DISCREZIONALI	SERVIZI AI CONSUMATORI	1,20
BENI DI CONSUMO DISCREZIONALI	VENDITA AL DETTAGLIO	0,70
BENI DI CONSUMO	VENDITA AL DETTAGLIO DI ALIMENTI E GENERI DI PRIMA NECESSITÀ	0,81
BENI DI CONSUMO	ALIMENTI, BEVANDE E TABACCO	6,86
BENI DI CONSUMO	PRODOTTI PER LA CASA E LA PERSONA	2,44
ENERGIA	ENERGIA	10,87
SETTORE FINANZIARIO	BANCHE	14,83
SETTORE FINANZIARIO	SETTORE FINANZIARIO DIVERSIFICATO	2,40
SETTORE FINANZIARIO	ASSICURATIVO	9,49
SETTORE SANITARIO	PRODOTTI FARMACEUTICI, BIOTECNOLOGIE E SCIENZE DELLA VITA	12,33
SETTORE INDUSTRIALE	BENI STRUMENTALI	7,53
SETTORE INDUSTRIALE	SERVIZI COMMERCIALI E PROFESSIONALI	3,18
SETTORE INDUSTRIALE	TRASPORTI	1,79
INFORMATICA	SEMICONDUTTORI E ATTREZZATURE PER SEMICONDUTTORI	1,47
MATERIALI	MATERIALI	7,02
SETTORE IMMOBILIARE	SETTORE IMMOBILIARE	0,34
SERVIZI DI PUBBLICA UTILITÀ	SERVIZI DI PUBBLICA UTILITÀ	3,13

Per conformarsi alla Tassonomia dell'UE, i criteri per il **gas fossile** includono limitazioni alle emissioni e il passaggio a energia completamente rinnovabile o a combustibili a basso contenuto di carbonio entro la fine del 2035. Per quanto riguarda **l'energia nucleare**, i criteri includono norme esaustive sulla sicurezza e sulla gestione delle scorie. Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di imprese renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0,00% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

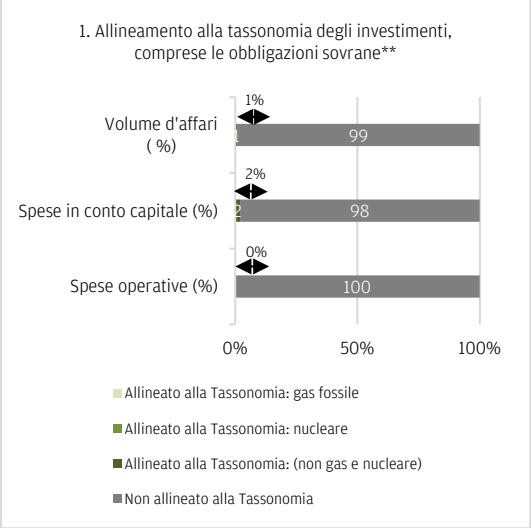
☐ Sì

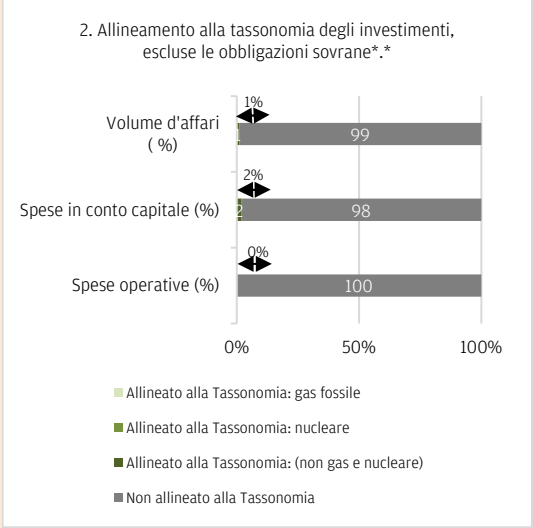
☐ In gas fossile ☐ In energia nucleare

☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.
- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





Questo grafico rappresenta 3% dell'investimento totale

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta lo 0,00% e la quota calcolata delle attività abilitanti rappresenta lo 0,22%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla Tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 48,13% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 13,03% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria “altri”, qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 14,82% degli attivi in investimenti "altri" è costituito da società che non soddisfano i criteri descritti in risposta alla domanda precedente, intitolata "Qual è stata la prestazione degli indicatori di sostenibilità?" per essere qualificate come imprese che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce “altri”. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio "Non arrecare danno significativo", come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L’obbligo di investire almeno il 51% del patrimonio in imprese con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione alle imprese che sono coinvolte in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altre, come quelle che operano nei settori del carbone termico e del tabacco.
- L'obbligo per tutte le imprese in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno il 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda "Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?".

Qual è stata la prestazione di questo prodotto finanziario rispetto all’indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

- ***In quale modo l’indice di riferimento differiva da un indice generale di mercato?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Nome del prodotto: **JPMorgan Funds - Global Corporate Bond Fund**

Identificativo della persona giuridica: **EO1ZF4VK19CZVPQNRJ56**

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso **caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 44,65% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 10% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva il 76,25% di investimenti con caratteristiche ambientali e/o sociali positive e il 44,65% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente gli emittenti impegnati nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altri, come quelli che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso gli emittenti che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento ai relativi emittenti che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il periodo di riferimento emittenti che sarebbero stati vietati ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in emittenti di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un emittente dei relativi aspetti ambientali o sociali come le emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere incluso nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un emittente deve conseguire un punteggio ambientale o sociale compreso entro il top 80% rispetto al benchmark del Comparto e soddisfare le condizioni di buona governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva il 76,25% di investimenti con caratteristiche ambientali e/o sociali positive e il 44,65% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di un emittente alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato erano costituiti da qualunque singolo o combinazione dei seguenti o erano correlati a un obiettivo ambientale o sociale attraverso l'uso dei proventi dell'emissione:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare; Obiettivi sociali: (I) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) offrire un ambiente di lavoro e una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato da: i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un emittente che produce pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti che contribuiscono alla mitigazione del rischio climatico. L'attuale percentuale di entrate è fissata a un minimo del 20% e l'intera partecipazione nell'impresa è considerata un investimento sostenibile; (ii) l'utilizzo dei proventi dell'emissione, se tale utilizzo era stato designato come collegato a uno specifico obiettivo ambientale o sociale, o (iii) era stato un un leader operativo di un gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio nel 20% superiore rispetto al benchmark del Comparto, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio del 20% rispetto al benchmark sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare. Il test per gli emittenti sovranazionali e sovrani può considerare la missione o i contributi dell'emittente, in qualità di leader o innovatore di un gruppo di pari, a obiettivi ambientali e sociali positivi, in base a determinati criteri.

Il Comparto era tenuto a investire l' 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 44,65% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli Investimenti Sostenibili che il Comparto intendeva realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere, dalla qualifica di Investimento Sostenibile, gli emittenti che il Gestore degli Investimenti considerava come quelli che avevano conseguito le prestazioni peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo gli emittenti che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere gli emittenti che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente).

Gli indicatori da 10 a 14 riguardano le questioni 'sociali e occupazionali di un emittente e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

Il Gestore degli Investimenti ha anche preso in considerazione il PAI 16 in relazione ai Paesi oggetto di investimento soggetti a violazioni sociali.

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere gli emittenti che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinati emittenti, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dagli stessi emittenti partecipati e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dagli emittenti o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10, 14 e 16 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali, le armi controverse e i paesi partecipati soggetti a violazioni sociali. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare gli emittenti partecipati in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti attualmente utilizza i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra. In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, Il Gestore degli Investimenti ha utilizzato dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcuni emittenti come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcuni emittenti partecipati, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione all'emissione o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a

qualificare un investimento come investimento sostenibile. Uno dei percorsi richiede che un emittente sia considerato leader operativo di un gruppo di pari per poter essere qualificato come investimento sostenibile. Ciò richiede un punteggio relativo all'indicatore incluso nel 20% superiore rispetto all'indice di riferimento.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

→ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. Per tale screening sono stati utilizzati gli indicatori 10, 14 e 16 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle violazioni sociali a livello nazionale e delle armi controverse delle Norme tecniche di regolamentazione SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con gli emittenti partecipati in base alla loro rispettiva performance PAI (principali impatti avversi).

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patri-monio	Paese
BANK OF AMERICA CORPORATION	Settore bancario	2,60	Stati Uniti
US DEPARTMENT OF THE TREASURY	Obbligazioni/Buoni del Tesoro USA	1,79	Stati Uniti
GOLDMAN SACHS GROUP, INC.	Settore bancario	1,79	Stati Uniti
MORGAN STANLEY	Settore bancario	1,76	Stati Uniti
CITIGROUP INC.	Settore bancario	1,66	Stati Uniti
BPCE SA	Settore bancario	1,50	Francia
DANSKE BANK A/S	Settore bancario	1,41	Danimarca
WELLS FARGO & COMPANY	Settore bancario	1,35	Stati Uniti
HSBC HOLDINGS PLC.	Settore bancario	1,31	Regno Unito
ABBVIE INC.	Prodotti di consumo non ciclici	1,23	Stati Uniti
INTESA SANPAOLO SPA	Settore bancario	1,22	Italia
UBS GROUP AG	Settore bancario	1,17	Svizzera
NATWEST GROUP PLC	Settore bancario	1,16	Regno Unito
COMCAST CORPORATION	Comunicazioni	1,10	Stati Uniti
SOCIETE GENERALE SA	Settore bancario	0,99	Francia

Qual è stata la percentuale di investimenti legati alla sostenibilità?

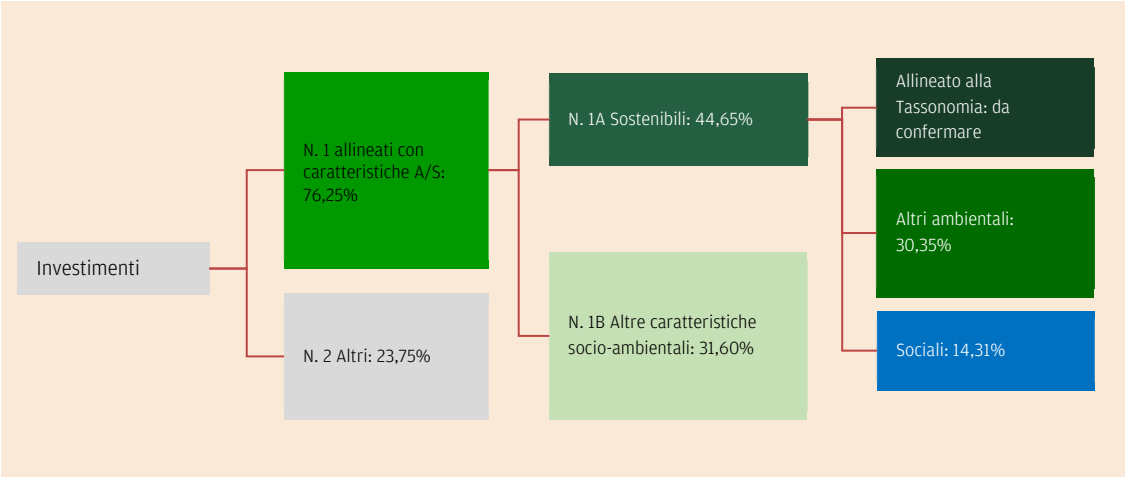
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento il Comparto ha allocato il 76,25% del suo patrimonio a emittenti che presentano caratteristiche ambientali e/o sociali positive e il 44,65% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può aver investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco seguente per una ripartizione settoriale alla fine del periodo di riferimento Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patrimonio
Settore bancario	Settore bancario	29,92
Industria di base	Settore chimico	0,32
Industria di base	Industria estrattiva e metalli	1,97
Intermediazione	Intermediazione Gestori di patrimonio Borse valori	0,41
Beni strumentali	Materiali edili	0,74
Beni strumentali	Produzione diversificata	1,05
Comunicazioni	Via cavo e satellitari	1,88
Comunicazioni	Mass media e intrattenimento	2,63
Comunicazioni	Wireless	1,78
Comunicazioni	Linee cablate	1,73
Prodotti di consumo ciclici	Settore automobilistico	1,99
Prodotti di consumo ciclici	Servizi e prodotti di consumo ciclici	0,08
Prodotti di consumo ciclici	Edilizia residenziale	0,07
Prodotti di consumo ciclici	Ricettività	0,16
Prodotti di consumo ciclici	Ristoranti	0,54
Prodotti di consumo ciclici	Commercianti al dettaglio	1,16
Prodotti di consumo non ciclici	Prodotti di consumo	1,07
Prodotti di consumo non ciclici	Alimenti/bevande	2,33
Prodotti di consumo non ciclici	Settore sanitario	3,62
Prodotti di consumo non ciclici	Prodotti farmaceutici	4,40
Prodotti di consumo non ciclici	Supermercati	0,10
Elettrica	Elettrica	11,92
Energia	Indipendente	1,67
Energia	Integrata	1,58
Energia	Midstream	3,54
Energia	Raffinazione	0,06
Società finanziarie	Società finanziarie	1,54
Altri servizi finanziari	Altri servizi finanziari	0,12
Altri settori industriali	Altri settori industriali	0,13
Assicurazione	Assicurazione sanitaria	0,66
Assicurazione	Assicurazione sulla vita	1,40
Assicurazione	Proprietà e incidenti	0,44
Gas naturale	Gas naturale	1,45

REIT	REIT - Appartamenti	0,33
REIT	REIT - Assistenza sanitaria	0,49
REIT	REIT - Uffici	0,05
REIT	REIT - Altri	0,83
REIT	REIT - Retail	0,15
Tecnologia	Tecnologia	5,62
Trasporti	Compagnie aeree	0,72
Trasporti	Ferrovie	1,09
Trasporti	Servizi di trasporto	2,43
Obbligazioni/Buoni del Tesoro USA	Obbligazioni	1,79
Servizio di pubblica utilità - Altro	Servizio di pubblica utilità - Altro	0,74

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di emittenti renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

☐ Sì

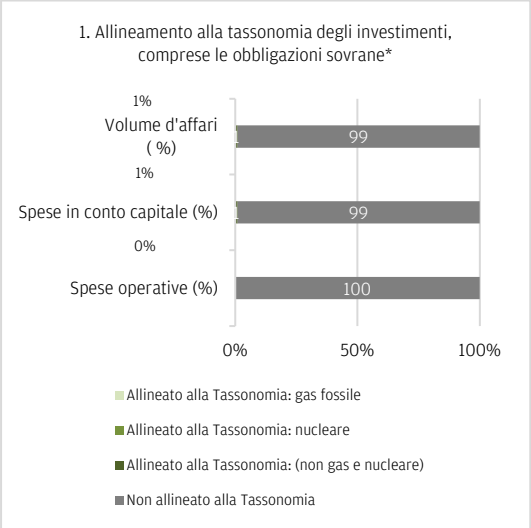
☐ In gas fossile ☐ In energia nucleare

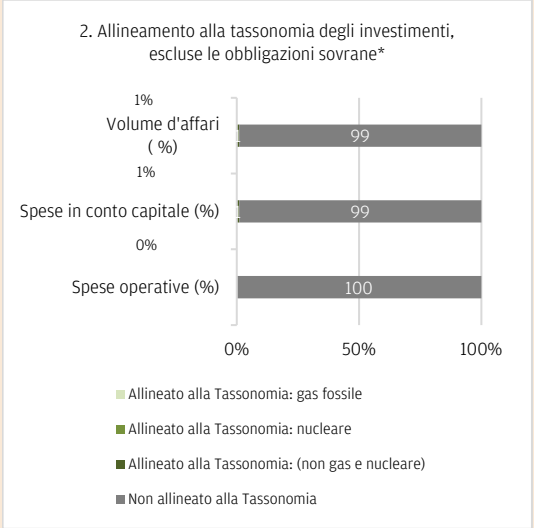
☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.
- le **spese operative** (opex) riflettono le attività operative verdi

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

delle imprese partecipate.





Questo grafico rappresenta 2% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta il 0,15%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 30,35% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 14,31% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria “altri”, qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 23,75% degli attivi in investimenti “altri” è costituito da emittenti che non hanno soddisfatto i criteri descritti in risposta alla domanda precedente, intitolata “Qual è stata la prestazione degli indicatori di sostenibilità?” per essere qualificati come emittenti che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce “altri”. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio “Non arrecare danno significativo”, come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L’obbligo di investire almeno il 51% del patrimonio in emittenti con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione a emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutti gli emittenti in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno l' 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda “Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?”

Qual è stata la prestazione di questo prodotto finanziario rispetto all’indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

In quale modo l’indice di riferimento differiva da un indice generale di mercato?

Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Nome del prodotto: JPMorgan Funds - Global Focus Fund

Identificativo della persona giuridica: 549300G40HDN6XFG8M37

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso caratteristiche ambientali/sociali (A/S) e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 75,77% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 10% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva l' 88,50% di investimenti con caratteristiche ambientali e/o sociali positive e il 75,77% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente le società impegnate nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altre, come quelle che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso le società che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento alle imprese che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il Periodo di riferimento imprese che sarebbero state vietate ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in imprese di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un'impresa dei relativi aspetti ambientali o sociali come le sue emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità di genere/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere inclusa nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un'impresa deve conseguire un punteggio ambientale o sociale compreso nell'80% di quelli maggiormente elevati in relazione alle imprese di pari grado e attuare le buone prassi di governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva l' 88,50% di investimenti con caratteristiche ambientali e/o sociali positive e il 75,77% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di una società alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato sono stati costituiti da qualsiasi singolo o combinazione dei seguenti obiettivi durante il periodo di riferimento:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare

Obiettivi sociali: (i) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale, (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) realizzazione di un ambiente di lavoro e di una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato mediante: (i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un'impresa che produca pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti di contributo alla mitigazione del rischio climatico. L'attuale percentuale di ricavi è fissata ad un minimo del 20% e l'intera partecipazione nella società è considerata un investimento sostenibile; o (ii) essere un leader operativo del gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio entro il top 20% rispetto ai pari, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio entro il top 20% rispetto ai pari sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare.

Il contributo effettivo a tali obiettivi può essere compreso considerando l'effettiva % di asset allocata agli investimenti sostenibili per il periodo di riferimento. Il Comparto era tenuto a investire l' 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 75,77% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli investimenti sostenibili che il Comparto intendeva in parte realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere dalla qualifica di investimento sostenibile, le imprese che il Gestore degli Investimenti considerava come aventi realizzato le performance peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo le imprese che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere le imprese che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la

quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente). Gli indicatori da 10 a 14 riguardano le questioni sociali e occupazionali di un'impresa e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere le imprese che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinate imprese, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dalle stesse imprese partecipate e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dalle imprese o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10 e 14 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali e le armi controverse. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare le imprese partecipate in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti ha utilizzato i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra.

In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, sono stati utilizzati dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcune imprese come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune imprese partecipate sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcune imprese partecipate sottostanti, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione alle emissioni o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a qualificare un investimento come investimento sostenibile. Uno dei percorsi richiedeva che un'impresa fosse considerata come un'impresa operativa leader di un gruppo di pari per poter essere qualificata come investimento sostenibile. Ciò richiedeva un punteggio relativo all'indicatore incluso nel 20% superiore rispetto ai pari.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

_ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. In relazione a tale screening sono stati utilizzati gli indicatori 10 e 14 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle armi controverse degli Standard Tecnici Regolamentari SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con le imprese partecipate in base alla loro rispettiva performance PAI (principali impatti avversi).

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patrimonio	Paese
MICROSOFT CORP	Tecnologia - Software	8,01	Stati Uniti
AMAZON.COM INC	Mass media	5,89	Stati Uniti
UNITEDHEALTH GROUP INC	Sistemi e servizi sanitari	3,37	Stati Uniti
TAIWAN SEMICONDUCTOR-SP ADR	Tecnologia - Semiconduttori & Hardware	3,11	Taiwan
NVIDIA CORP	Tecnologia - Semiconduttori & Hardware	2,99	Stati Uniti
COCA-COLA CO/THE	Beni di consumo	2,85	Stati Uniti
VINCI SA	Ciclico industriale	2,80	Francia
MASTERCARD INC - A	Servizi finanziari	2,74	Stati Uniti
META PLATFORMS INC-CLASS A	Mass media	2,72	Stati Uniti
CME GROUP INC	Servizi finanziari	2,66	Stati Uniti
DEERE & CO	Ciclico industriale	2,54	Stati Uniti
UBER TECHNOLOGIES INC	Mass media	2,46	Stati Uniti
ABBVIE INC	Farmaceutica/tecnologia medica	2,39	Stati Uniti
S&P GLOBAL INC	Servizi finanziari	2,37	Stati Uniti
BANK OF AMERICA CORP	Banche	2,04	Stati Uniti

Qual è stata la percentuale di investimenti legati alla sostenibilità?

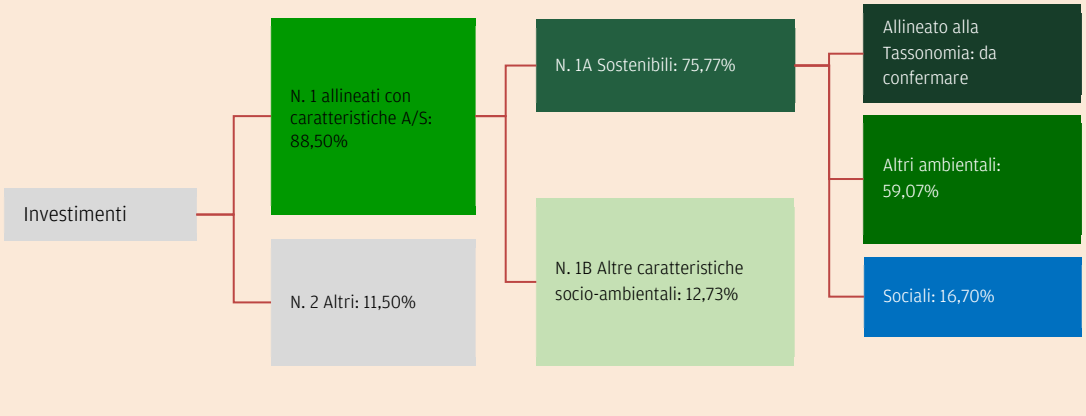
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento, il Comparto ha allocato l' 88,50% del suo patrimonio a imprese che presentavano caratteristiche ambientali e/o sociali positive e il 75,77% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può aver investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco seguente per una ripartizione settoriale alla fine del periodo di riferimento Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune società partecipate sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patrimonio
Automobili e autoricambi	Prodotti automobilistici OEM	1,00
Banche	Banche - Asia/Pacifico escluso Giappone	1,76
Banche	Banche - Europa	0,49
Banche	Banche - Nord America	4,64
Industrie di base	Materie prime alla rinfusa - minerali di ferro	1,03
Industrie di base	Prodotti chimici - materie prime	0,88
Industrie di base	Prodotti chimici - speciali	1,16
Servizi e prodotti di consumo ciclici	Hotel	1,57
Beni di consumo	Bevande	2,85
Energia	E&P (Esplorazione e produzione)	2,31
Energia	Aziende petrolifere integrate	1,64
Energia	Servizi	0,65
Servizi finanziari	Borse valori	2,66
Servizi finanziari	Tecnologia finanziaria	2,37
Servizi finanziari	Pagamenti	2,74
Sistemi e servizi sanitari	Immobili in locazione multipla	3,37
Ciclico industriale	Aerospaziale	1,46
Ciclico industriale	Appaltatori	2,80
Ciclico industriale	Macchinari	2,54
Assicurazione	Assicurazione sulla vita	0,78
Assicurazione	Assicurazione multi-linee	1,33
Assicurazione	Assicurazione Proprietà e incidenti	1,86
Mass media	E-commerce	5,89
Mass media	Servizi Internet - pubblicità	2,72
Mass media	Servizi Internet - consegna	2,46
Farmaceutica/tecnologia medica	Biotecnologie	1,18
Farmaceutica/tecnologia medica	Settore farmaceutico	8,25
Immobili	REIT industriali	1,97
Retail	Abbigliamento	1,44
Retail	Discount	1,45
Retail	Beni di lusso	1,88

Retail	Ristoranti	1,83
Tecnologia - Semiconduttori & Hardware	Semiconduttori ad ampio raggio	3,75
Tecnologia - Semiconduttori & Hardware	Chip digitali di grandi dimensioni	7,01
Tecnologia - Semiconduttori & Hardware	Memoria	1,37
Tecnologia - Semiconduttori & Hardware	Attrezzature per semiconduttori	2,25
Tecnologia - Software	Software	9,13
Trasporti	Consegna di pacchi	1,20
Servizi di pubblica utilità	Aziende integrate di pubblica utilità	1,35
Servizi di pubblica utilità	Servizi di pubblica utilità regolamentati	1,07
Servizi di pubblica utilità	Servizi di pubblica utilità non regolamentati	1,94

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di imprese renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

☐ Sì

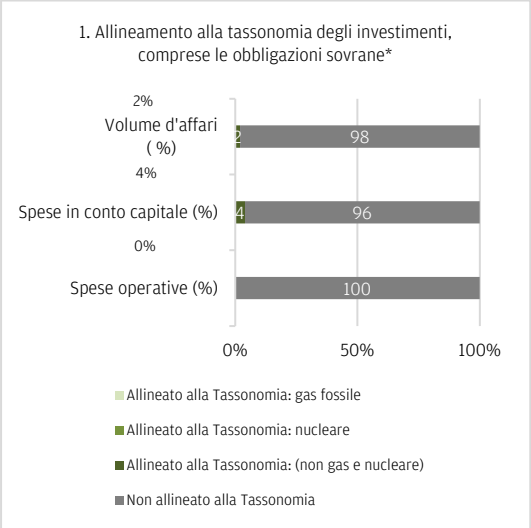
☐ In gas fossile ☐ In energia nucleare

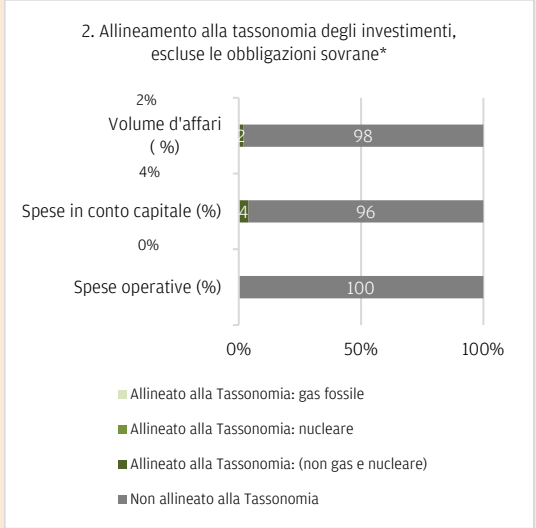
☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.





Questo grafico rappresenta 6% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta il 0,10%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 59,07% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 16,70% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria “altri”, qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 11,50% degli attivi in investimenti “altri” è costituito da società che non soddisfano i criteri descritti in risposta alla domanda precedente, intitolata “Qual è stata la prestazione degli indicatori di sostenibilità?” per essere qualificate come imprese che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce “altri”. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio “Non arrecare danno significativo”, come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L’obbligo di investire almeno il 51% del patrimonio in imprese con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione agli emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutte le imprese in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno l' 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda “Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?”

Qual è stata la prestazione di questo prodotto finanziario rispetto all’indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

In quale modo l’indice di riferimento differiva da un indice generale di mercato?

Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Nome del prodotto: JPMorgan Funds - Global Strategic Bond Fund

Identificativo della persona giuridica: OPRXP6HO2GP26R2IK085

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso caratteristiche ambientali/sociali (A/S) e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 25,20% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 10% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva l' 83,92% di investimenti con caratteristiche ambientali e/o sociali positive e il 25,20% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente gli emittenti impegnati nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altri, come quelli che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso gli emittenti che non hanno ottenuto un punteggio entro il top 80% rispetto all'universo specifico del Comparto in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento ai relativi emittenti che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il periodo di riferimento emittenti che sarebbero stati vietati ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in emittenti di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un emittente dei relativi aspetti ambientali o sociali come le emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere incluso nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un emittente deve conseguire un punteggio ambientale o sociale compreso entro il top 80% rispetto al suo universo specifico e soddisfare le condizioni di buona governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva l' 83,92% di investimenti con caratteristiche ambientali e/o sociali positive e il 25,20% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di un emittente alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato erano costituiti da qualunque singolo o combinazione dei seguenti o erano correlati a un obiettivo ambientale o sociale attraverso l'uso dei proventi dell'emissione:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare; Obiettivi sociali: (I) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) offrire un ambiente di lavoro e una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato da: i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un emittente che produce pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti che contribuiscono alla mitigazione del rischio climatico. L'attuale percentuale di entrate è fissata a un minimo del 20% e l'intera partecipazione nell'impresa è considerata un investimento sostenibile; (ii) l'utilizzo dei proventi dell'emissione, se tale utilizzo era stato designato come collegato a uno specifico obiettivo ambientale o sociale, o (iii) era stato un un leader operativo di un gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio entro il top 20% rispetto a un universo specifico, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio entro il top 20% rispetto all'universo specifico sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare. Il test per gli emittenti sovranazionali e sovrani può considerare la missione o i contributi dell'emittente, in qualità di leader o innovatore di un gruppo di pari, a obiettivi ambientali e sociali positivi, in base a determinati criteri.

Il Comparto era tenuto a investire l' 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 25,20% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli Investimenti Sostenibili che il Comparto intendeva realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere, dalla qualifica di Investimento Sostenibile, gli emittenti che il Gestore degli Investimenti considerava come quelli che avevano conseguito le prestazioni peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo gli emittenti che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere gli emittenti che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente).

Gli indicatori da 10 a 14 riguardano le questioni 'sociali e occupazionali di un emittente e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere gli emittenti che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinati emittenti, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dagli stessi emittenti partecipati e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dagli emittenti o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10 e 14 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali, le armi controverse e i paesi partecipati soggetti a violazioni sociali. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare gli emittenti partecipati in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti attualmente utilizza i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra. In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, Il Gestore degli Investimenti ha utilizzato dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcuni emittenti come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcuni emittenti partecipati, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione all'emissione o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a qualificare un investimento come investimento sostenibile. Uno dei percorsi richiede che un emittente sia considerato leader operativo di un gruppo di pari per poter essere qualificato come investimento

sostenibile. Ciò richiede un punteggio relativo all'indicatore incluso entro il top 20% rispetto all'universo specifico.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

_ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

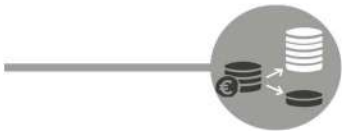
Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. In relazione a tale screening sono stati utilizzati gli indicatori 10 e 14 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle armi controverse degli Standard Tecnici Regolamentari SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con gli emittenti partecipati in base alla loro rispettiva performance PAI (principali impatti avversi).



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patrimonio	Paese
FEDERAL NATIONAL MORTGAGE ASSOCIATION	CMO di ente pubblico	8,46	Stati Uniti
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	CMO di ente pubblico	6,37	Stati Uniti
FEDERAL HOME LOAN MORTGAGE CORPORATION	Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali) - Enti pubblici	4,44	Stati Uniti
GOLDMAN SACHS GROUP, INC.	Settore bancario	1,37	Stati Uniti
HSBC HOLDINGS PLC.	Settore bancario	1,37	Regno Unito
CITIGROUP INC.	Settore bancario	1,35	Stati Uniti
BRAZIL NOTAS DO TESOURO NACIONAL SERIE F	Obbligazioni locali dei paesi emergenti	1,14	Brasile
MORGAN STANLEY	Settore bancario	1,05	Stati Uniti
UNITED MEXICAN STATES	Obbligazioni locali dei paesi emergenti	1,05	Messico
HCA INC.	Prodotti di consumo non ciclici	1,00	Stati Uniti
SANTANDER UK GROUP HOLDINGS PLC	Settore bancario	0,88	Regno Unito
BANK OF AMERICA CORPORATION	Settore bancario	0,74	Stati Uniti
REPUBLIC OF POLAND GOVERNMENT BOND	Obbligazioni locali dei paesi emergenti	0,73	Polonia
ONEMAIN FINANCIAL ISSUANCE TRUST 2018-2A	Titoli garantiti da attività (ABS) - Credito al consumo	0,68	Stati Uniti
MEXICAN BONOS	Obbligazioni locali dei paesi emergenti	0,66	Messico



Qual è stata la percentuale di investimenti legati alla sostenibilità?

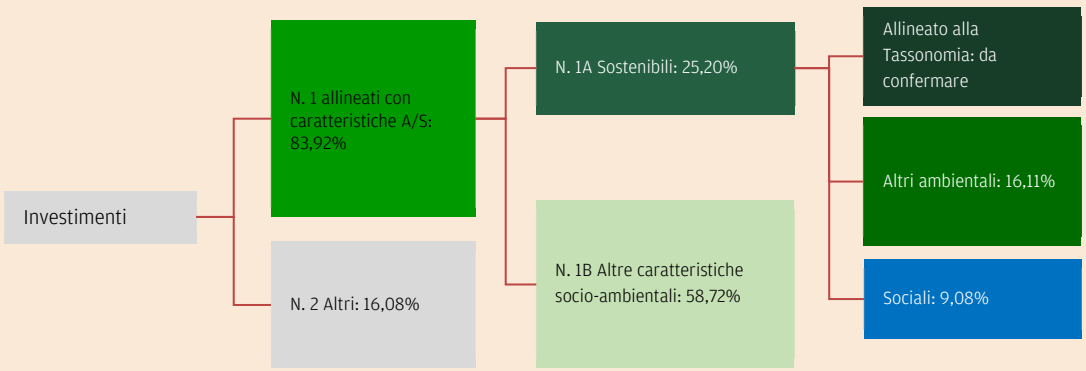
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento il Comparto ha allocato l' 83,92% del suo patrimonio a emittenti che presentano caratteristiche ambientali e/o sociali positive e il 25,20% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può aver investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco seguente per una ripartizione settoriale alla fine del periodo di riferimento Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patrimonio
Titoli garantiti da attività (ABS) - Auto	Finanziamento auto - Non Prime	0,09
Titoli garantiti da attività (ABS) - Auto	Prestiti automobilistici - Prime	0,21
Titoli garantiti da attività (ABS) - Credito al consumo	Credito al consumo	0,68
ABS - Altro	ABS - Altro	0,56
Titoli garantiti da attività (ABS) - Prestiti a studenti	Prestiti privati per studenti	0,02
ABS - cartolarizzazione totale	Cartolarizzazione totale	1,78
ABS CLO	CLO/CDO	4,02
Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali) - Enti pubblici	Credito IO (solo interesse) su CMBS (Titoli garantiti da mutui commerciali) di enti pubblici	0,54
Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali) - Enti pubblici	CMBS (Titoli garantiti da mutui commerciali) subordinati di enti pubblici	1,34
CMO di ente pubblico	CMO fisse di ente	1,22
CMO di ente pubblico	CMO IO/PO/INV di ente	2,05
CMO multi-famiglie di ente	CMO multi-famiglie di ente fissi	1,00
CMO multi-famiglie di ente	CMO IO/PO/INV multi-famiglie di ente	5,00

Multi-famiglia passante di ente	Multi-famiglia fisso di ente	0,30
Pass Through di ente	10 anni	0,26
Pass Through di ente	30 anni	8,87
Pass Through di ente	Altri Pass-Through	0,48
Alt -A	ALT-A	0,33
Settore bancario	Settore bancario	15,09
Industria di base	Settore chimico	0,78
Industria di base	Industria estrattiva e metalli	0,82
Industria di base	Carta	0,15
Intermediazione	Intermediazione Gestori di patrimonio Borse valori	0,02
Beni strumentali	Aerospazio/Difesa	0,12
Beni strumentali	Materiali edili	0,46
Beni strumentali	Macchine per l'edilizia	0,14
Beni strumentali	Produzione diversificata	1,00
Beni strumentali	Settore ambientale	0,15
Beni strumentali	Imballaggi	0,63
Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali)	Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali)	5,00
CMBS (Titoli garantiti da mutui commerciali) Altri	Mutuo commerciale con saldo ridotto	0,05
Comunicazioni	Via cavo e satellitari	1,72
Comunicazioni	Mass media e intrattenimento	1,56
Comunicazioni	Wireless	1,57
Comunicazioni	Linee cablate	1,37
Prodotti di consumo ciclici	Settore automobilistico	2,45
Prodotti di consumo ciclici	Servizi e prodotti di consumo ciclici	1,05
Prodotti di consumo ciclici	Settore ludico	0,35
Prodotti di consumo ciclici	Edilizia residenziale	0,15
Prodotti di consumo ciclici	Tempo libero	0,71
Prodotti di consumo ciclici	Ricettività	0,03
Prodotti di consumo ciclici	Ristoranti	0,07
Prodotti di consumo ciclici	Commercianti al dettaglio	0,77
Prodotti di consumo non ciclici	Prodotti di consumo	0,95
Prodotti di consumo non ciclici	Alimenti/bevande	0,80
Prodotti di consumo non ciclici	Settore sanitario	2,69
Prodotti di consumo non ciclici	Prodotti farmaceutici	1,64
Prodotti di consumo non ciclici	Supermercati	0,14
CRT	CRT	0,38
Elettrica	Elettrica	5,55
Obbligazioni locali dei paesi emergenti	Obbligazioni di stato locali dei paesi emergenti	5,30
Energia	Indipendente	0,86
Energia	Integrata	1,56
Energia	Midstream	1,07
Energia	Servizi per il settore petrolifero	0,12
Società finanziarie	Società finanziarie	1,47
Altri servizi finanziari	Altri servizi finanziari	0,21
Prestiti ipotecari	Prestiti ipotecari	1,00
Altri settori industriali	Altri settori industriali	0,49
Assicurazione	Assicurazione sanitaria	0,15
Assicurazione	Assicurazione sulla vita	0,63
Assicurazione	Proprietà e incidenti	0,04
Gas naturale	Gas naturale	0,06
CMO Altro, non di ente	CMO Altro, non di ente	0,64
Mutuo a tasso variabile con opzioni	MUTUO A TASSO VARIABILE CON OPZIONI	0,15
PACE	PACE	0,03
Prime	PRIME	0,17
REIT	REIT - Assistenza sanitaria	0,20

REIT	REIT - Uffici	0,04
REIT	REIT - Altri	0,27
REIT	REIT - Retail	0,13
RPL	RPL	0,01
Singola attività singolo mutuatario	SASB - Molteplici proprietà	0,07
Singola attività singolo mutuatario	SASB - Singola proprietà	1,21
Titoli sovrani	Titoli sovrani	3,16
Titoli sovranazionali	Titoli sovranazionali	0,66
Tecnologia	Tecnologia	4,90
Trasporti	Compagnie aeree	0,65
Trasporti	Ferrovie	0,08
Trasporti	Servizi di trasporto	0,78
Servizio di pubblica utilità - Altro	Servizio di pubblica utilità - Altro	0,12

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di emittenti renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

☐ Sì

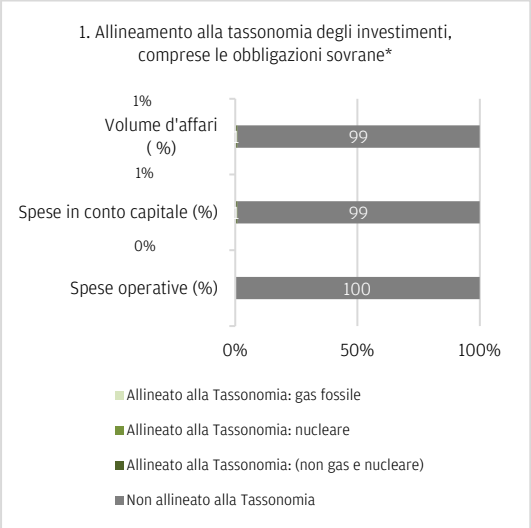
☐ In gas fossile ☐ In energia nucleare

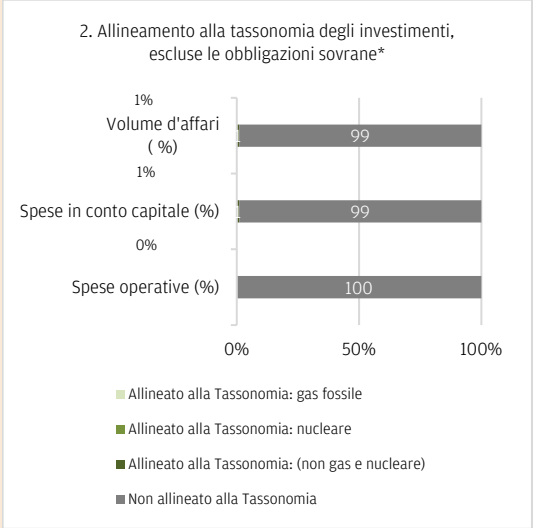
☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.





Questo grafico rappresenta 2% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta il 0,12%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era dell' 16,11% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 9,08% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria “altri”, qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 16,08% degli attivi in investimenti “altri” è costituito da emittenti che non hanno soddisfatto i criteri descritti in risposta alla domanda precedente, intitolata “Qual è stata la prestazione degli indicatori di sostenibilità?” per essere qualificati come emittenti che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce “altri”. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio “Non arrecare danno significativo”, come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L’obbligo di investire almeno il 51% del patrimonio in emittenti con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione a emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutti gli emittenti in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno l' 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda “Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?”

Qual è stata la prestazione di questo prodotto finanziario rispetto all’indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

In quale modo l’indice di riferimento differiva da un indice generale di mercato?

Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Nome del prodotto: JPMorgan Funds - US Aggregate Bond Fund

Identificativo della persona giuridica: 821Q18AJUQEF2EHHKB05

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso **caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 9,40% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 5% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva l' 84,92% di investimenti con caratteristiche ambientali e/o sociali positive e il 9,40% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente gli emittenti impegnati nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altri, come quelli che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso gli emittenti che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento ai relativi emittenti che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il periodo di riferimento emittenti che sarebbero stati vietati ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in emittenti di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un emittente dei relativi aspetti ambientali o sociali come le emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere incluso nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un emittente deve conseguire un punteggio ambientale o sociale compreso entro il top 80% rispetto al benchmark del Comparto e soddisfare le condizioni di buona governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva l' 84,92% di investimenti con caratteristiche ambientali e/o sociali positive e il 9,40% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di un emittente alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato erano costituiti da qualunque singolo o combinazione dei seguenti o erano correlati a un obiettivo ambientale o sociale attraverso l'uso dei proventi dell'emissione:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare; Obiettivi sociali: (I) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) offrire un ambiente di lavoro e una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato da: i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un emittente che produce pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti che contribuiscono alla mitigazione del rischio climatico. L'attuale percentuale di entrate è fissata a un minimo del 20% e l'intera partecipazione nell'impresa è considerata un investimento sostenibile; (ii) l'utilizzo dei proventi dell'emissione, se tale utilizzo era stato designato come collegato a uno specifico obiettivo ambientale o sociale, o (iii) era stato un un leader operativo di un gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio nel 20% superiore rispetto al benchmark del Comparto, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio del 20% rispetto al benchmark sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare. Il test per gli emittenti sovranazionali e sovrani può considerare la missione o i contributi dell'emittente, in qualità di leader o innovatore di un gruppo di pari, a obiettivi ambientali e sociali positivi, in base a determinati criteri.

Il Comparto era tenuto a investire il 5% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 9,40% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli Investimenti Sostenibili che il Comparto intendeva realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere, dalla qualifica di Investimento Sostenibile, gli emittenti che il Gestore degli Investimenti considerava come quelli che avevano conseguito le prestazioni peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo gli emittenti che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere gli emittenti che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente).

Gli indicatori da 10 a 14 riguardano le questioni 'sociali e occupazionali di un emittente e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

Il Gestore degli Investimenti ha anche preso in considerazione il PAI 16 in relazione ai Paesi oggetto di investimento soggetti a violazioni sociali.

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere gli emittenti che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinati emittenti, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dagli stessi emittenti partecipati e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dagli emittenti o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10, 14 e 16 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali, le armi controverse e i paesi partecipati soggetti a violazioni sociali. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare gli emittenti partecipati in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti attualmente utilizza i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra. In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, Il Gestore degli Investimenti ha utilizzato dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcuni emittenti come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcuni emittenti partecipati, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione all'emissione o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a

qualificare un investimento come investimento sostenibile. Uno dei percorsi richiede che un emittente sia considerato leader operativo di un gruppo di pari per poter essere qualificato come investimento sostenibile. Ciò richiede un punteggio relativo all'indicatore incluso nel 20% superiore rispetto all'indice di riferimento.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. Per tale screening sono stati utilizzati gli indicatori 10, 14 e 16 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle violazioni sociali a livello nazionale e delle armi controverse delle Norme tecniche di regolamentazione SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con gli emittenti partecipati in base alla loro rispettiva performance PAI (principali impatti avversi).



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patri-monio	Paese
US DEPARTMENT OF THE TREASURY	Buoni del Tesoro USA	30,13	Stati Uniti
FEDERAL NATIONAL MORTGAGE ASSOCIATION	ABS di ente	17,25	Stati Uniti
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	CMBS (Titoli garantiti da mutui commerciali) di enti pubblici	7,18	Stati Uniti

Qual è stata la percentuale di investimenti legati alla sostenibilità?

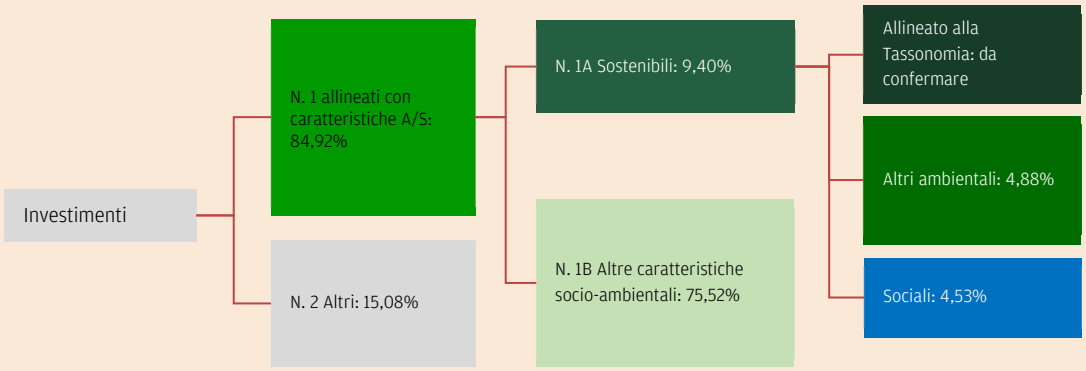
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento il Comparto ha allocato l' 84,92% del suo patrimonio a emittenti che presentano caratteristiche ambientali e/o sociali positive e il 9,40% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

zzz. Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcuni emittenti partecipati sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patrimonio
ABS	ABS - Planimetria	0,14
ABS	ABS - Altro	0,10
ABS	ABS - crediti	0,07

ABS di ente	ABS di ente	0,00
CMBS (Titoli garantiti da mutui commerciali) di enti pubblici	CMO multi-famiglie di ente	2,55
CMBS (Titoli garantiti da mutui commerciali) di enti pubblici	Multi-famiglia passante di ente	9,14
RMBS di ente	CMO di ente pubblico	2,90
RMBS di ente	Pass Through di ente	14,31
CMBS (Titoli garantiti da mutui commerciali)	Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali) - Enti pubblici	5,83
CMBS (Titoli garantiti da mutui commerciali)	Veicolo d'investimento in CMBS (Titoli garantiti da mutui commerciali)	0,02
CMBS (Titoli garantiti da mutui commerciali)	CMBS (Titoli garantiti da mutui commerciali) Altri	0,07
CMBS (Titoli garantiti da mutui commerciali)	Singola attività singolo mutuatario	1,36
CMBS (Titoli garantiti da mutui commerciali)	Noleggio singola famiglia	1,55
Finanza	Settore bancario	8,66
Finanza	Intermediazione	0,31
Finanza	Società finanziarie	1,28
Finanza	Altri servizi finanziari	0,03
Finanza	Assicurazione	1,40
Finanza	REIT	1,32
Settore industriale	Industria di base	0,86
Settore industriale	Beni strumentali	0,31
Settore industriale	Comunicazioni	2,15
Settore industriale	Prodotti di consumo ciclici	1,46
Settore industriale	Prodotti di consumo non ciclici	3,23
Settore industriale	Energia	2,05
Settore industriale	Altri settori industriali	0,10
Settore industriale	Tecnologia	1,68
Settore industriale	Trasporti	1,65
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	Alt -A	0,02
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	Prestiti ipotecari	0,00
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	CMO Altro, non di ente	0,09
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	Mutuo a tasso variabile con opzioni	0,00
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	PACE	0,11
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	Prime	0,06
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	RMBS - multiproprietà	0,06
CMO (Obbligazione ipotecaria collateralizzata) non di ente pubblico	RPL	0,01
Titoli di credito collegati a un governo non statunitense	Amministrazione locale di paese estero	0,01
Titoli di credito collegati a un governo non statunitense	Titoli sovrani	0,29
Obbligazioni municipali tassabili	Ricavi	0,13
Ente degli Stati Uniti	Titolo di debito di ente degli Stati Uniti	0,24
Buoni del Tesoro USA	Obbligazioni/Buoni del Tesoro USA	30,06
Buoni del Tesoro USA	Buoni del Tesoro USA, indicizzati all'inflazione	0,07
Servizi di pubblica utilità	Elettrica	2,27
Servizi di pubblica utilità	Gas naturale	0,32
Servizi di pubblica utilità	Servizio di pubblica utilità - Altro	0,05

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di emittenti renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

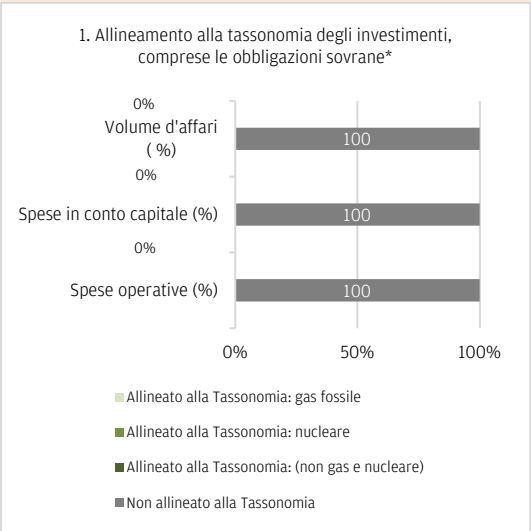
☐ Sì

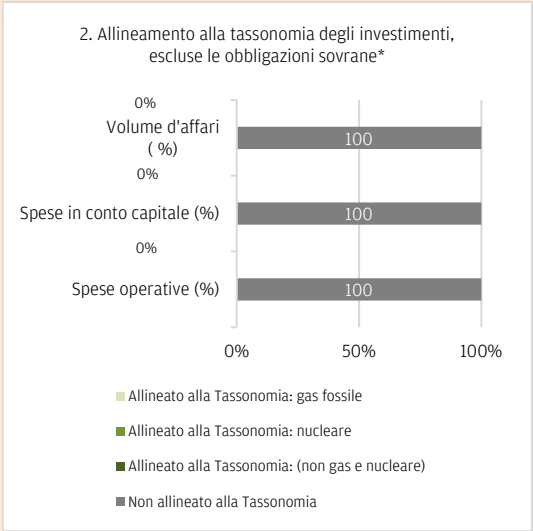
☐ In gas fossile ☐ In energia nucleare

☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti per la transizione verso un'economia verde.
- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





Questo grafico rappresenta 0% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta il 0,01%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 4,88% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 4,53% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria "altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 15,08% degli attivi in investimenti "altri" è costituito da emittenti che non hanno soddisfatto i criteri descritti in risposta alla domanda precedente, intitolata "Qual è stata la prestazione degli indicatori di sostenibilità?" per essere qualificati come emittenti che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce "altri". Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio "Non arrecare danno significativo", come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L'obbligo di investire almeno il 51% del patrimonio in emittenti con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione a emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutti gli emittenti in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno il 5% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda "Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?"



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

- ***In quale modo l'indice di riferimento differiva da un indice generale di mercato?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

Nome del prodotto: JPMorgan Funds - Europe Dynamic Technologies Fund

Identificativo della persona giuridica: 549300GE40GS0XZN2G20

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852 che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla Tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: %	☒ Ha promosso **caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 71,70% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla Tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: %	☐ Ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Comparto si propone di promuovere un'ampia gamma di caratteristiche ambientali, sociali e di governance attraverso i suoi criteri di inclusione degli investimenti, in particolare con una ripartizione minima del patrimonio del 51% in investimenti con caratteristiche ambientali e/o sociali positive e un minimo di 10% di investimenti costituiti da investimenti sostenibili. Questi impegni sono stati rispettati per tutto il periodo di riferimento (1 luglio 2022 - 30 giugno 2023). Alla fine del periodo di riferimento, il Comparto deteneva l' 86,20% di investimenti con caratteristiche ambientali e/o sociali positive e il 71,70% di investimenti sostenibili.

Questi investimenti sono stati determinati mediante l'applicazione di criteri di inclusione ed esclusione che sono stati applicati sia a livello di asset che di prodotto. I criteri di inclusione sono basati su un punteggio ESG assegnato a tutti gli investimenti nell'ambito della strategia, per identificare quelli che possono essere considerati come aventi caratteristiche ambientali e/o sociali e quelli che soddisfano le soglie per essere considerati investimenti sostenibili.

Il punteggio ESG prende in considerazione i seguenti indicatori: la gestione efficace delle emissioni tossiche, dei rifiuti, il buon record ambientale e le caratteristiche sociali, come efficaci dichiarazioni di sostenibilità, valutazioni favorevoli in materia di relazioni con il personale dipendente e di gestione dei problemi di sicurezza.

Attraverso i suoi criteri di esclusione (che prevedevano esclusioni sia totali che parziali), il Comparto ha promosso determinate norme e valori, tra cui il sostegno alla salvaguardia dei diritti umani proclamati a livello internazionale. Il Comparto ha escluso completamente le società impegnate nella fabbricazione di armi controverse e ha applicato soglie massime di reddito o di produzione ad altre, come quelle che operano nel settore del carbone termico e del tabacco.

In relazione alla considerazione di buona governance, tutti gli investimenti (esclusi i contanti e i derivati) sono stati vagliati per escludere i noti trasgressori delle pratiche di buona governance. Inoltre, per gli investimenti che si ritiene abbiano caratteristiche ambientali e/o sociali o che si qualificano come investimenti sostenibili, sono state applicate ulteriori considerazioni. Per questi investimenti, il Comparto ha incorporato un confronto con un gruppo di pari e ha escluso le società che non hanno ottenuto un punteggio superiore all'80% rispetto ai pari in base agli indicatori di buona governance.

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali. La misura in cui le caratteristiche ambientali o sociali promosse sono state soddisfatte può essere intesa considerando la % effettiva del patrimonio allocata per il periodo di riferimento alle imprese che presentavano tali caratteristiche.

In sintesi: il Comparto ha rispettato i minimi contrattuali garantiti in relazione alle caratteristiche ambientali e/o sociali e alla politica di investimenti sostenibili per tutto il periodo di riferimento. Il Comparto ha applicato dei filtri con l'obiettivo di escludere tutti i potenziali investimenti vietati dalla sua politica di esclusione durante tutto questo periodo. La misura in cui le norme e i valori promossi dal Comparto sono stati soddisfatti si basa sull'eventualità che il Comparto abbia detenuto durante il Periodo di riferimento imprese che sarebbero state vietate ai sensi della politica di esclusione. Il Gestore degli Investimenti non ha riscontrato alcuna indicazione siano stati effettuati investimenti in imprese di tale genere. Il Gestore degli Investimenti informa che la continuità dei valori percentuali e delle informazioni divulgate non può essere garantita in futuro ed è soggetta alla costante evoluzione del panorama legale e normativo. La durata del periodo di riferimento può essere inferiore a 12 mesi se nel corso di tale periodo il fondo era stato lanciato, chiuso o il suo status ai sensi dell'articolo 8/9 era stato modificato.

Gli **indicatori di sostenibilità** misurano in che modo sono realizzate le caratteristiche ambientali o sociali promosse da questo prodotto finanziario

Qual è stata la prestazione degli indicatori di sostenibilità?

Una combinazione della metodologia di valutazione ESG propria del Gestore degli Investimenti, che consiste nella valutazione ESG propria del Gestore degli Investimenti, e/o di dati di terzi è stata utilizzata nell'ambito dei criteri di inclusione per misurare il conseguimento delle caratteristiche ambientali e/o sociali che il Comparto promuove.

La metodologia era basata sulla gestione da parte di un'impresa dei relativi aspetti ambientali o sociali come le sue emissioni tossiche, la gestione dei rifiuti, le relazioni con il personale dipendente e gli aspetti della sicurezza, la diversità di genere/indipendenza del consiglio di amministrazione e la tutela della riservatezza dei dati. Per essere inclusa nel 51% degli asset considerati come promotori di caratteristiche ambientali e/o sociali, un'impresa deve conseguire un punteggio ambientale o sociale compreso nell'80% di quelli maggiormente elevati in relazione alle imprese di pari grado e attuare le buone prassi di governance sopra indicate.

Alla fine del periodo di riferimento, il Comparto deteneva l' 86,20% di investimenti con caratteristiche ambientali e/o sociali positive e il 71,70% di investimenti sostenibili.

Per quanto riguarda le norme applicate e le esclusioni basate sui valori, il Gestore degli Investimenti ha utilizzato i dati per quantificare la partecipazione di una società alle relative attività. Lo screening condotto su tali dati ha consentito di pervenire a esclusioni totali di certi potenziali investimenti e a esclusioni parziali in base a soglie percentuali massime di ricavi o produzione, conformemente ai criteri di esclusione. Durante tutto il periodo di riferimento, e in nessun caso, sono state trasgredite le regole di esclusione. Inoltre, è stato incorporato nello screening un sottoinsieme di "Indicatori di Sostenibilità Avversi" come enunciato nelle Norme tecniche di regolamentazione SFDR dell'UE".

Il Comparto non prevedeva specifici obiettivi di allocazione a favore di caratteristiche ambientali o sociali e pertanto la prestazione degli indicatori in relazione a specifiche caratteristiche ambientali o sociali non è illustrata in questa sede.

Per ulteriori informazioni, consultare l'Informativa sulle Caratteristiche Ambientali e Sociali del Comparto sul sito www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione Informazioni ESG.

...e rispetto ai periodi precedenti?

Non pertinente per il 2022

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha parzialmente effettuato e in che misura gli investimenti sostenibili hanno contribuito al conseguimento di tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il Comparto ha parzialmente effettuato sono stati costituiti da qualsiasi singolo o combinazione dei seguenti obiettivi durante il periodo di riferimento:

Obiettivi ambientali: (i) mitigazione del rischio climatico, (ii) transizione verso un'economia circolare

Obiettivi sociali: (i) comunità inclusive e sostenibili - aumento della rappresentanza femminile a livello dirigenziale, (ii) comunità inclusive e sostenibili - aumento della rappresentanza femminile nei consigli di amministrazione e (iii) realizzazione di un ambiente di lavoro e di una cultura dignitosi.

Il contributo a tali obiettivi è stato determinato mediante: (i) indicatori di sostenibilità di prodotti e servizi, che possono aver incluso la percentuale di entrate derivanti dalla fornitura di prodotti e/o servizi che contribuiscono al pertinente obiettivo sostenibile, come un'impresa che produca pannelli solari o tecnologie per l'energia pulita che soddisfano le soglie proprietarie del Gestore degli Investimenti di contributo alla mitigazione del rischio climatico. L'attuale percentuale di ricavi è fissata ad un minimo del 20% e l'intera partecipazione nella società è considerata un investimento sostenibile; o (ii) essere un leader operativo del gruppo di pari che contribuisce all'obiettivo pertinente. La qualifica di leader di un gruppo di pari è definita come un punteggio entro il top 20% rispetto ai pari, in base a determinati indicatori di sostenibilità operativa. Ad esempio, il raggiungimento di un punteggio entro il top 20% rispetto ai pari sull'impatto totale dei rifiuti contribuisce alla transizione verso un'economia circolare.

Il contributo effettivo a tali obiettivi può essere compreso considerando l'effettiva % di asset allocata agli investimenti sostenibili per il periodo di riferimento. Il Comparto era tenuto a investire l' 10% del patrimonio in investimenti sostenibili. Durante il periodo, il Comparto non ha mai detenuto investimenti sostenibili al di sotto del suo minimo garantito. Alla fine del periodo di riferimento, il 71,70% del suo patrimonio era costituito da investimenti sostenibili.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

In che modo gli investimenti sostenibili che il prodotto finanziario ha parzialmente realizzato non hanno causato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale?

Gli investimenti sostenibili che il Comparto intendeva in parte realizzare sono stati sottoposti a un processo di screening che ha mirato a identificare ed escludere dalla qualifica di investimento sostenibile, le imprese che il Gestore degli Investimenti considerava come aventi realizzato le performance peggiori, in base a una soglia determinata dal Gestore degli Investimenti, in relazione a determinate considerazioni ambientali. Di conseguenza, sono stati considerati investimenti sostenibili solo le imprese che hanno dimostrato di possedere i migliori indicatori in relazione alle misure assolute e relative.

Tali considerazioni includono il cambiamento climatico, la protezione delle risorse idriche e marine, la transizione verso un'economia circolare, l'inquinamento e la protezione della biodiversità e degli ecosistemi. Il Gestore degli Investimenti ha inoltre applicato un filtro volto a identificare ed escludere le imprese che il Gestore degli Investimenti ha ritenuto non conformi alle Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, sulla base dei dati comunicati da fornitori di servizi terzi.

→ *Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?*

Gli indicatori degli impatti negativi sui fattori di sostenibilità di cui alla Tabella 1 dell'Allegato 1 e alcuni indicatori, determinati dal Gestore degli Investimenti, di cui alle Tabelle 2 e 3 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE sono stati presi in considerazione come ulteriormente descritto di seguito. Il Gestore degli Investimenti ha utilizzato le metriche contenute negli Standard tecnici regolamentari SFDR dell'UE oppure, laddove ciò non fosse possibile a causa di limitazioni dei dati o di altri problemi tecnici, un proxy rappresentativo. Il Gestore degli Investimenti ha consolidato la considerazione di alcuni indicatori in un indicatore "primario", come descritto ulteriormente di seguito, e potrebbe aver utilizzato un'ulteriore serie di indicatori più ampia di quella indicata di seguito.

Gli indicatori pertinenti nella Tabella 1 dell'Allegato 1 delle Norme tecniche di regolamentazione SFDR dell'UE consistono in 9 indicatori ambientali e 5 indicatori sociali e occupazionali. Gli indicatori ambientali sono elencati da 1 a 9 e riguardano le emissioni di gas serra (1-3), l'esposizione ai combustibili fossili, la

quota di consumo e produzione di energia non rinnovabile, l'intensità del consumo energetico, le attività che influiscono negativamente sulle aree sensibili di biodiversità, le emissioni nell'acqua e i rifiuti pericolosi (4-9 rispettivamente). Gli indicatori da 10 a 14 riguardano le questioni sociali e occupazionali di un'impresa e coprono rispettivamente le violazioni dei principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE per le imprese multinazionali, la mancanza di processi e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite, il divario retributivo di genere non corretto, la diversità di genere del Consiglio di amministrazione e l'esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

L'approccio del Gestore degli Investimenti comprendeva aspetti sia quantitativi che qualitativi per tenere conto degli indicatori suddetti. Ha utilizzato particolari indicatori per lo screening, cercando di escludere le imprese che potrebbero causare danni significativi. Ha utilizzato un sottoinsieme per l'impegno con determinate imprese, cercando di influenzare le migliori prassi e ha utilizzato alcuni di essi come indicatori di performance positiva di sostenibilità, applicando una soglia minima rispetto all'indicatore per ottenere la qualifica di investimento sostenibile. I dati necessari per prendere in considerazione gli indicatori, ove disponibili, possono essere stati ottenuti dalle stesse imprese partecipate e/o comunicati da fornitori di servizi terzi (compresi i dati proxy). Gli input di dati autodichiarati dalle imprese o comunicati da fornitori terzi possono basarsi su serie di dati e ipotesi che possono essere insufficienti, di scarsa qualità o contenere informazioni distorte. Poiché dipendono da soggetti terzi, il Gestore degli Investimenti non può garantire l'accuratezza o la completezza di tali dati.

Screening

Alcuni indicatori sono stati presi in considerazione attraverso lo screening basato su valori e norme per implementare le esclusioni. Queste esclusioni hanno preso in considerazione gli indicatori 10 e 14 in relazione ai principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE per le imprese multinazionali e le armi controverse. Il Gestore degli Investimenti ha anche applicato un filtro appositamente realizzato. A causa di alcune considerazioni tecniche, come la copertura dei dati in relazione a specifici indicatori, il Gestore degli Investimenti ha applicato l'indicatore specifico di cui alla Tabella 1 o un proxy rappresentativo, come determinato dal Gestore degli Investimenti per vagliare le imprese partecipate in relazione alle questioni ambientali o sociali e occupazionali. Per esempio, le emissioni di gas a effetto serra sono associate a diversi indicatori e metriche corrispondenti nella Tabella 1, come le emissioni di gas a effetto serra, l'impronta di carbonio e l'intensità di gas a effetto serra (indicatori 1-3). Il Gestore degli Investimenti ha utilizzato i dati sull'intensità dei gas a effetto serra (indicatore 3), i dati relativi al consumo e alla produzione di energia non rinnovabile (indicatore 5) e i dati sull'intensità del consumo di energia (indicatore 6) per effettuare lo screening relativo alle emissioni di gas a effetto serra.

In relazione allo screening realizzato ad hoc e per quanto riguarda le attività che influenzano negativamente le aree sensibili per la biodiversità e le emissioni nell'acqua (indicatori 7 e 8), a causa delle limitazioni dei dati, sono stati utilizzati dati proxy rappresentativi di terze parti, piuttosto che gli indicatori specifici di cui alla Tabella 1. Il Gestore degli Investimenti ha preso in considerazione anche l'indicatore 9 in relazione ai rifiuti pericolosi per quanto riguarda il filtro appositamente costruito.

Impegno

Oltre a selezionare alcune imprese come descritto sopra, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune imprese partecipate sottostanti. È stato utilizzato un sottoinsieme degli indicatori, in base ad alcune considerazioni tecniche come la copertura dei dati, come base per impegnarsi con alcune imprese partecipate sottostanti, in conformità con l'approccio adottato dal Gestore degli Investimenti in materia di stewardship e impegno. Gli indicatori utilizzati in relazione a tale impegno includono gli indicatori 3, 5 e 13 relativi all'intensità dei gas a effetto serra, alla quota di energia non rinnovabile e alla diversità di genere nei consigli d'amministrazione della Tabella 1. Ha utilizzato anche gli indicatori 2 della Tabella 2 e 3 della Tabella 3 in relazione alle emissioni o agli inquinanti atmosferici e al numero di giorni persi per infortuni, incidenti, decessi o malattie.

Indicatori di sostenibilità

Il Gestore degli investimenti ha utilizzato gli indicatori 3 e 13 in relazione all'Intensità di gas serra e alla diversità di genere nei consigli di amministrazione come indicatori di sostenibilità per contribuire a qualificare un investimento come investimento sostenibile. Uno dei percorsi richiedeva che un'impresa fosse considerata come un'impresa operativa leader di un gruppo di pari per poter essere qualificata come investimento sostenibile. Ciò richiedeva un punteggio relativo all'indicatore incluso nel 20% superiore rispetto ai pari.

I principali impatti negativi sono gli impatti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a questioni ambientali, sociali e occupazionali, al rispetto dei diritti umani, alla lotta alla corruzione e alla concussione.

_ *Gli investimenti sostenibili sono stati allineati alle Linee guida dell'OCSE per le imprese multinazionali e ai Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:*

Le esclusioni dal portafoglio basate su norme come descritto sopra al punto "In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario? sono state applicate per perseguire l'allineamento con queste linee guida e principi. Al fine di individuare potenziali trasgressori sono stati utilizzati dati di soggetti terzi. A meno che non sia stata concessa un'eccezione, il Comparto ha vietato investimenti rilevanti in questi emittenti.

La Tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla Tassonomia non devono arrecare danno significativo gli obiettivi della Tassonomia dell'UE, ed è accompagnata da criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha considerato i principali impatti negativi sui fattori di sostenibilità?

Il Comparto ha considerato i principali impatti negativi selezionati sui fattori di sostenibilità attraverso uno screening basato su valori e norme per implementare le esclusioni. In relazione a tale screening sono stati utilizzati gli indicatori 10 e 14 in relazione alle violazioni del Global Compact delle Nazioni Unite e alle armi controverse degli Standard Tecnici Regolamentari SFDR dell'UE. Il Comparto ha anche utilizzato alcuni degli indicatori nell'ambito del filtro "Non arrecare danno significativo", come dettagliato nella risposta alla domanda immediatamente precedente, per dimostrare che un investimento si qualifica come investimento sostenibile.

Un sottoinsieme dei suddetti Indicatori di Sostenibilità Avversi è stato utilizzato per determinare l'impegno con le imprese partecipate in base alla loro rispettiva performance PAI (principali impatti avversi).



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la maggior parte degli investimenti** del prodotto finanziario sulla base di un'istantanea alla fine del periodo di riferimento: 01/07/2022 - 30/06/2023

Maggiori investimenti	Settore	% del patri-monio	Paese
INFINEON TECHNOLOGIES AG	INFORMATICA	9,58	Germania
ASML HOLDING NV	INFORMATICA	8,58	Paesi Bassi
SAP SE	INFORMATICA	8,13	Germania
CAPGEMINI SE	INFORMATICA	6,22	Francia
STMICROELECTRONICS NV	INFORMATICA	5,42	Paesi Bassi
SAGE GROUP PLC/THE	INFORMATICA	3,98	Regno Unito
ASM INTERNATIONAL NV	INFORMATICA	3,70	Paesi Bassi
NOKIA OYJ	INFORMATICA	3,27	Finlandia
DASSAULT SYSTEMES SE	INFORMATICA	2,42	Francia

Qual è stata la percentuale di investimenti legati alla sostenibilità?

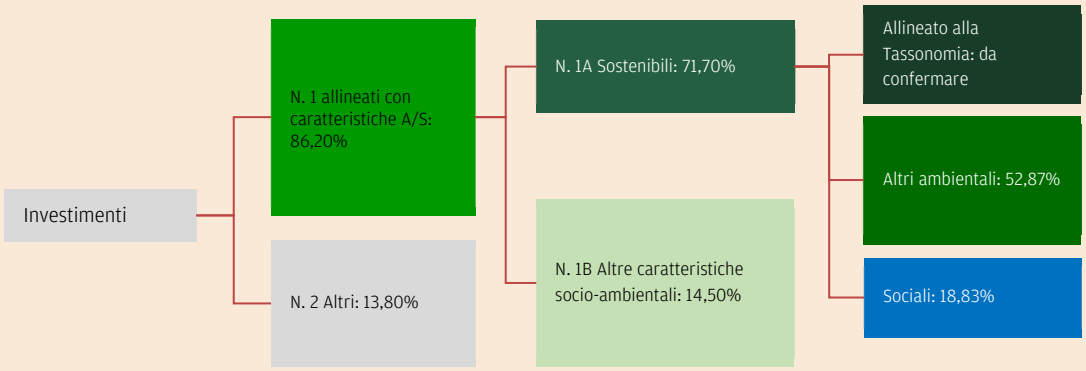
La ripartizione degli investimenti descrive la quota di investimenti in attività specifiche.

Qual è stata la ripartizione degli investimenti?

Alla fine del periodo di riferimento, il Comparto ha allocato l' 86,20% del suo patrimonio a imprese che presentavano caratteristiche ambientali e/o sociali positive e il 71,70% del patrimonio a investimenti sostenibili. Il Comparto non si è impegnato a investire una percentuale del patrimonio specificamente in valori mobiliari che presentano caratteristiche ambientali positive o caratteristiche sociali positive, né si è impegnato a perseguire obiettivi ambientali o sociali specifici o in combinazione tra loro.

Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nella tabella sottostante. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Nb: L'allineamento alla Tassonomia UE per gli strumenti considerati investimenti sostenibili da JP Morgan sarà inserito nel grafico sottostante una volta disponibile e se pertinente. L'allineamento completo del fondo alla Tassonomia UE è riportato di seguito (in risposta alla domanda: In che misura gli investimenti sostenibili con un obiettivo ambientale sono stati allineati alla Tassonomia UE?)



N. 1 Allineati alle caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

N. 2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono qualificati come investimenti sostenibili.

La categoria **N. 1 Allineati con le caratteristiche A/S** comprende:
- La sottocategoria **N. 1A Sostenibili** comprende gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sotto-categoria **N. 1B Altre caratteristiche A/S** comprende gli investimenti allineati con le caratteristiche ambientali o sociali che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Sebbene il Comparto abbia promosso determinate caratteristiche ambientali e sociali attraverso i suoi criteri di inclusione ed esclusione, può aver investito in un'ampia gamma di settori - si prega di fare riferimento all'elenco seguente per una ripartizione settoriale alla fine del periodo di riferimento Inoltre, il Gestore degli investimenti si è impegnato in maniera continuativa con alcune società partecipate sottostanti. Gli investimenti in settori e sotto-settori dell'economia che traggono ricavi dall'esplorazione, dall'estrazione mineraria, dall'estrazione, dalla produzione, dalla lavorazione, dallo stoccaggio, dalla raffinazione o dalla distribuzione, compresi il trasporto, lo stoccaggio e il commercio, di combustibili fossili, se detenuti, saranno inclusi nella tabella sottostante. Le attività liquide accessorie, i depositi presso istituti di credito, gli strumenti del mercato monetario/fondi (per la gestione delle sottoscrizioni e dei rimborsi in contanti e dei pagamenti correnti e straordinari) e i derivati per l'EPM sono esclusi dai risultati, ma sono inclusi nel denominatore per la percentuale di attività indicata sia nella tabella seguente, sia nella tabella dei principali investimenti.

Settore	Sotto-settore	% del patri-monio

SERVIZI DI COMUNICAZIONE	MASS MEDIA E INTRATTENIMENTO	3,95
SERVIZI DI COMUNICAZIONE	SERVIZI DI TELECOMUNICAZIONE	2,31
BENI DI CONSUMO DISCREZIONALI	SERVIZI AI CONSUMATORI	2,12
BENI DI CONSUMO DISCREZIONALI	VENDITA AL DETTAGLIO	0,72
SETTORE FINANZIARIO	SETTORE FINANZIARIO DIVERSIFICATO	1,00
SETTORE SANITARIO	SERVIZI E ATTREZZATURE SANITARIE	1,57
SETTORE INDUSTRIALE	BENI STRUMENTALI	4,89
SETTORE INDUSTRIALE	SERVIZI COMMERCIALI E PROFESSIONALI	0,84
INFORMATICA	SEMICONDUTTORI E ATTREZZATURE PER SEMICONDUTTORI	30,18
INFORMATICA	SOFTWARE E SERVIZI	30,96
INFORMATICA	ATTREZZATURE E HARDWARE TECNOLOGICI	17,14

Le **attività abilitanti** consentono direttamente ad altre attività di dare un contributo sostanziale a un obiettivo ambientale.
Le **attività di transizione sono attività economiche** per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano livelli di emissioni di gas serra corrispondenti alle migliori prestazioni.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?[1]

I dati disponibili in relazione all'allineamento alla Tassonomia dell'UE sono, attualmente, molto limitati, in particolare per quanto concerne il gas fossile e l'energia nucleare. Prevediamo che questo dato migliorerà nel tempo, man mano che un maggior numero di imprese renderà noto il proprio allineamento e i dati saranno sempre più disponibili.

Il Comparto non ha assunto alcun impegno minimo in materia di investimenti sostenibili con obiettivi ambientali allineati alla Tassonomia dell'UE.

Pertanto, il documento informativo precontrattuale del Comparto indica come 0% l'entità degli investimenti sostenibili mirati con un obiettivo ambientale allineato alla Tassonomia dell'UE. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali e gli investimenti sostenibili (come definiti dall'SFDR).

I grafici seguenti illustrano l'effettiva entità degli investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia dell'UE, come misurata alla fine del periodo di riferimento.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformemente alla Tassonomia dell'UE[1]?

☐ Sì

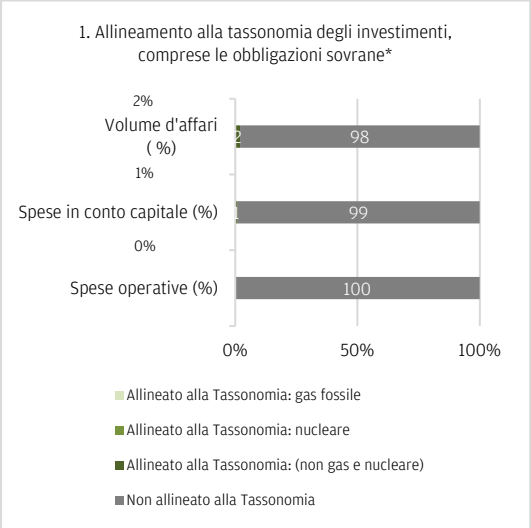
☐ In gas fossile ☐ In energia nucleare

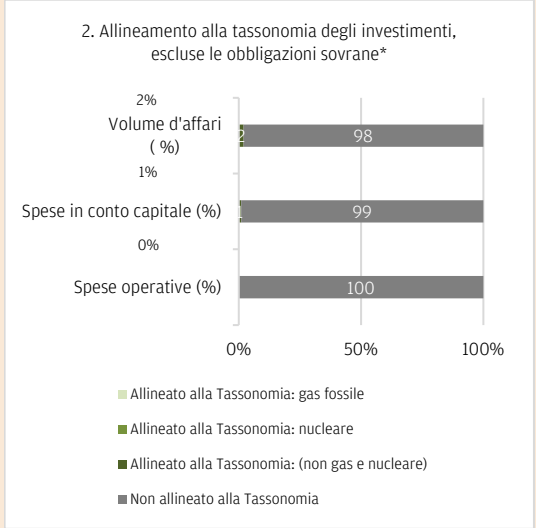
☒ No

Le attività allineate alla Tassonomia sono espresse come una quota di:
- il **volume d'affari** riflette la "ecologicità" dell'impresa partecipata oggi.
- le **spese in conto capitale** (capex) mostrano gli investimenti verdi effettuati dalle imprese partecipate, rilevanti

I grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla Tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla Tassonomia, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

per la transizione verso un'economia verde.
- le **spese operative** (opex) riflettono le attività operative verdi delle imprese partecipate.





Questo grafico rappresenta 3% dell'investimento totale.

*Ai fini di questi grafici, le 'obbligazioni sovrane' comprendono tutte le esposizioni sovrane.

[1] Le attività legate al gas fossile e/o al nucleare saranno conformi alla Tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non danneggeranno in modo significativo alcun obiettivo della Tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche relative al gas fossile e all'energia nucleare conformi alla Tassonomia UE sono stabiliti nel Regolamento Delegato (UE) 2022/1214 della Commissione.

Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?

A seguito di quanto suddetto, il Comparto non ha assunto alcun impegno minimo di effettuare investimenti allineati alla Tassonomia UE - comprese le attività di Transizione e Abilitazione. Qualsiasi allineamento delineato di seguito è un sottoprodotto del quadro del Comparto che considera gli investimenti che hanno caratteristiche ambientali e/o sociali positive e gli investimenti sostenibili.

La quota calcolata delle attività di transizione rappresenta il 0,00% e la quota calcolata delle attività abilitanti rappresenta l' 1,52%, alla fine del periodo di riferimento.

Qual è l'esito del raffronto della percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

Non pertinente

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale che non erano allineati alla Tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia dell'UE era del 52,87% del patrimonio alla fine del periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era pari al 18,83% del patrimonio alla fine del periodo di riferimento.

Quali investimenti erano compresi nella categoria “altri”, qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Il 13,80% degli attivi in investimenti “altri” è costituito da società che non soddisfano i criteri descritti in risposta alla domanda precedente, intitolata “Qual è stata la prestazione degli indicatori di sostenibilità?” per essere qualificate come imprese che presentano caratteristiche ambientali o sociali positive. Sono investimenti a fini di diversificazione. Gli asset liquidi accessori, i depositi presso gli istituti di credito, gli strumenti/fondi del mercato monetario (per la gestione delle sottoscrizioni e dei rimborsi in contanti, nonché dei pagamenti correnti ed eccezionali) e i derivati per l'EPM non sono inclusi nella % di asset riportata nel diagramma di ripartizione degli asset di cui sopra, incluso sotto la voce “altri”. Queste partecipazioni fluttuano a seconda dei flussi di investimento e sono accessorie alla politica di investimento con un impatto minimo o nullo sulle operazioni di investimento.

Tutti gli investimenti, compresi quelli "altri", sono stati soggetti alle seguenti salvaguardie/principi minimi ESG:

- Le salvaguardie minime come delineate dall'Articolo 18 del Regolamento sulla Tassonomia dell'UE (compreso l'allineamento con le Linee guida dell'OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani), come implementate dal Gestore degli Investimenti.
- Applicazione di prassi di buona governance (queste includono buone strutture di gestione, relazioni con il personale dipendente, remunerazione del personale e conformità fiscale), come implementate dal Gestore degli Investimenti.
- Conformità al principio “Non arrecare danno significativo”, come prescritto dalla definizione di investimento sostenibile nell'SFDR dell'UE.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

I seguenti elementi vincolanti della strategia d'investimento sono stati applicati durante il periodo di riferimento per selezionare gli investimenti al fine di conseguire ciascuna delle caratteristiche ambientali o sociali:

- L’obbligo di investire almeno il 51% del patrimonio in imprese con caratteristiche ambientali e/o sociali positive.
- Lo screening basato su valori e norme per implementare le esclusioni complete in relazione agli emittenti che sono impegnati in determinate attività, come la produzione di armi controverse, e l'applicazione di soglie percentuali massime di ricavi, produzione o distribuzione ad altri emittenti, come quelli che operano nei settori del carbone termico e del tabacco. Per ulteriori informazioni, fare riferimento alla politica di esclusione del Comparto su www.jpmorganassetmanagement.lu, cercando il proprio Comparto specifico e accedendo alla sezione informazioni ESG.
- L'obbligo per tutte le imprese in portafoglio di seguire le prassi di buona governance.

Il Comparto si è inoltre impegnato a investire almeno l' 10% del patrimonio in investimenti sostenibili.

Ulteriori informazioni sull'impegno sono disponibili nella risposta alla domanda “Come sono stati presi in considerazione gli indicatori degli impatti negativi sui fattori di sostenibilità?”

Qual è stata la prestazione di questo prodotto finanziario rispetto all’indice di riferimento sostenibile?

Non pertinente

I **benchmark di riferimento** sono indici per misurare se il prodotto finanziario raggiunge le caratteristiche ambientali o sociali che promuove.

In quale modo l’indice di riferimento differiva da un indice generale di mercato?

Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non pertinente

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non pertinente

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **The Jupiter Global Fund – Jupiter European Growth**

Legal entity identifier: **549300G82NGMSULN1N18**

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

● ● ☐ Yes	● ○ ☒ No
☐ It made **sustainable investments with an environmental objective:** ☐ %	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of NA % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ☐ %	☒ It promoted E/S characteristics but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Fund were: (i) the transition to a low carbon economy in seeking to promote the goal of net zero greenhouse gas emissions by 2050 or sooner; and (ii) the upholding of responsibilities to people and planet in seeking compliance with the UN Global Compact Principles.

The environmental characteristic promoted by the Fund was pursued through the targeting of issuers achieving net zero greenhouse gas emissions by 2050 or sooner. Industry guidance through the Net Zero Investment Framework (NZIF) was utilised to assess a company's status under the net zero pathway. The long-term 2050 goal is subject to short and medium-term milestones and incorporates engagement protocols for companies that the Investment Manager classifies as high impact based on the NZIF's material sector guidance.

The social characteristic promoted by the Fund was pursued through seeking compliance with the UN Global Compact Principles.

The Investment Manager's investment due diligence process included an initial evaluation and ongoing monitoring of issuers' compliance with the UN Global Compact Principles using third party ESG risk data.

Where an issuer was determined by the Investment Manager as having breached the UN Global Compact Principles, the issuer was not counted as a holding that was deemed to be promoting the social characteristic of the Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

It has been assessed that 82% of the portfolio is on a Net zero pathway according to the stated methodology summarised above and therefore is aligned with the promotion of the E characteristic.

It has been assessed that 100% of the portfolio is in compliance with the UNGC principles therefore is aligned with the promotion of the S characteristic.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable as the Fund has not committed to make sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable as the Fund has not committed to make sustainable investments.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

  Not applicable

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

  Not applicable

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts on sustainability factors were considered as an additional consideration in the Investment Manager's portfolio construction process. A list of the key principle adverse impact indicators considered by the Fund can be found on the website: https://www.jupiteram.com/board-and-governance/#sustainable-finance-disclosures.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is as at 30 September 2022.

Largest Investments	Sector	% of Net Assets	Country
RELX plc	Financial services	6.93	United Kingdom
Novo-Nordisk A/S	Pharmaceuticals	5.96	Denmark
Pernod-Ricard SA	Beverages	5.51	France
Edenred	Commercial services	5.37	France
Dassault Systemes SE	Software	5.21	France
Amadeus IT Holding SA - A	Software	4.88	Spain
Louis Vuitton Moet Hennessy SE	Holding companies	4.41	France
Wolters Kluwer NV	Media	3.88	Netherlands
ASML Holding NV	Semiconductors	3.84	Netherlands
FinecoBank Banca Fineco SpA	Banks	3.58	Italy
IMCD Group NV	Chemicals	3.19	Netherlands
Experian plc	Financial services	3.12	Jersey - Channel Islands
Lonza Group AG	Chemicals	2.81	Switzerland
AllFunds Group plc	Commercial services	2.61	United Kingdom
Adidas AG	Apparel	2.46	Germany
		63.76	

What was the proportion of sustainability-related investments?

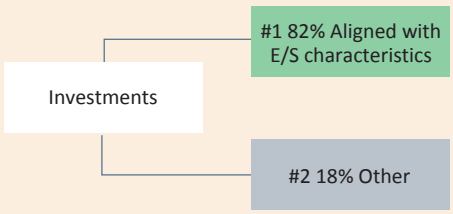
Not applicable as the Fund has not committed to make sustainable Investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

82% of the Fund's investment portfolio was aligned with both of the environmental and social characteristics promoted by the Fund.

The remaining portion of the Fund's investment portfolio ("#2Other") consisted of investments which were not aligned to the ESG Characteristics promoted by the Fund, investments for which relevant data was not available and/or deposits at sight, deposits, money market instruments and money market Funds held on an ancillary basis.



#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 category **#1 Aligned with E/S characteristics** covers:

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

In which economic sectors were the investments made?

Refer to table above in top investments

Taxonomy-aligned activities are expressed as a share of:

turnover reflects the "greenness" of investee companies today.

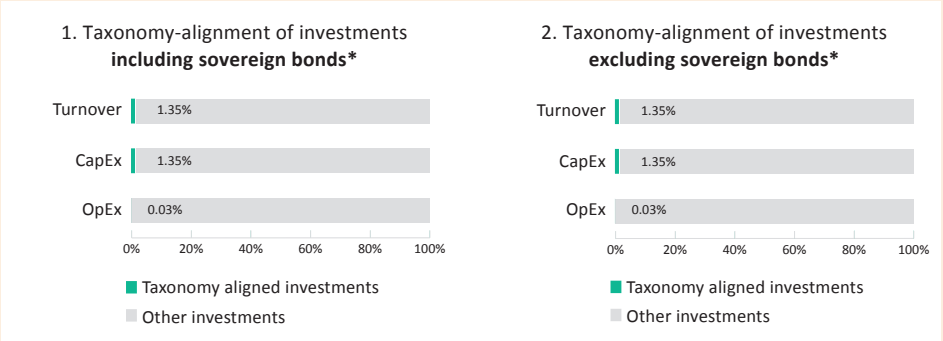
capital expenditure (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

operational expenditure (OpEx) reflects the green operational activities of investee companies.

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

Please note that the Fund did not make a commitment to make EU Taxonomy aligned investments. Therefore, the EU Taxonomy alignment figures reported below are an incidental result of the Fund's investment strategy and promotion of environmental and social characteristics.

The graphs below show in green the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The share of investments made in transitional activities was 0%. The share of investments made in enabling activities was 1.35%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable as the Fund has not committed to make sustainable Investments.

What was the share of socially sustainable investments?

Not applicable as the Fund has not committed to make socially sustainable Investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

All of the Fund's investments were held with a view to achieving the Fund's investment objective, including any that were not aligned to the ESG Characteristics promoted by the Fund.

Sustainability risks were integrated into the investment decision making process. The active ownership approach considered material ESG factors which strengthened the assessment of the risks and opportunities that drive returns.

The Investment Manager took sustainability risks (defined in SFDR as an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of the investment) and ESG Characteristics into account as part of its selection process.

In addition to investments made by the Fund in pursuit of its investment strategy, the Fund may also have held deposit at sight, deposits, money market instruments and money market Funds on an ancillary basis in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. No minimum environmental or social safeguards were applied in relation to these holdings.

This category may also have included investments for which relevant data was not available.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Manager conducted detailed assessments of underlying investment issuers progress and trajectory along the net zero alignment pathway based on the NZIF guidance. The Investment Manager utilised the detailed understanding gathered from the assessments to establish engagement priorities linked to the transition to a low carbon economy for each issuer.

The Investment Manager also conducted an engagement prioritisation assessment at the portfolio level. The prioritisation assessment was not solely linked to high impact or heavy emitting companies because these companies typically already have in place more progressive net zero strategies, policies and disclosures.

Given the systematic nature of the environmental characteristic of the transition to a low carbon economy that is promoted by the Fund, the Investment Manager deemed it necessary to engage more broadly at an industry level to tackle these macro challenges. The Investment Manager engaged with investor bodies and industry peers to consider and discuss climate policies targeted at investors.

How did this financial product perform compared to the reference benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**

  Not applicable

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable

- **How did this financial product perform compared with the broad market index?**

  Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Echiquier Arty SRI **Legal entity identifier:** 969500I9FE435QANAU40

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 40% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund's responsible investment strategy is based on ESG criteria highlighting the environmental and/or social characteristics promoted by this financial product, such as reducing the environmental impact of companies in terms of air pollution, protecting biodiversity, ensuring that companies take environmental risks into account, improving working conditions, protecting employees and combating discrimination.

All portfolio positions have benefited from extra-financial analysis

How did the sustainability indicators perform?

Indicators	31/03/2023
ESG rating	
ESG rating (source: LFDE)	6,8/10
Note Environnement (source LFDE)	7,3/10
Note Social (source LFDE)	6,2/10
Governance note (source: LFDE)	7,2/10
Other indicators*	
Carbon intensity of Induced Emissions (source Carbon4 Finance)	110,7
Ratio of Emissions Saved to Emissions Induced (source Carbon4 Finance)	0,15
ESG Controversy Score (source MSCI ESG Research): where a score of 10/10 indicates the absence of controversy.	5,2/10
Signatories of the United Nations Global Compact	76,4%
Staff turnover rate	9,9%

**The calculation of these indicators can be based on estimated data.*

…and compared to previous periods?

Indicators	31/03/2022	31/03/2023	Minimum expectations
ESG rating			
ESG rating (source: LFDE)	6,7/10	6,8/10	5,5/10

Note Environnement (source LFDE)	7,1/10	7,3/10	/
Note Social (source LFDE)	5,8/10	6,2/10	/
Governance note (source: LFDE)	7,2/10	7,2/10	/
Other indicators*			
Carbon intensity of Induced Emissions (source Carbon4 Finance)	175,3	110,7	/
Ratio of Emissions Saved to Emissions Induced (source Carbon4 Finance)	0,23	0,15	/
ESG Controversy Score (source MSCI ESG Research): where a score of 10/10 indicates the absence of controversy.	5,6/10	5,2/10	/
Signatories of the United Nations Global Compact	81,2%	76,4%	/
Staff turnover rate	9,0%	9,9%	/

**The calculation of these indicators can be based on estimated data.*

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investment objectives partly pursued by the financial product were to contribute to achieving the United Nations' Sustainable Development Goals (SDGs) (including combating climate change, protecting biodiversity and improving access to healthcare worldwide). To assess this positive contribution to society and the environment, the financial product uses the three impact scores developed in-house by La Financière de l'Échiquier (ODD Score (focus on 9 ODD), Climate & Biodiversity Maturity Score (MCB), AAAA Score (focusing on access to health)) and an external score called "MSCI ODD Score" built from MSCI ESG Research data. If the issuer scores sufficiently well on one of these four scores, it will be considered to be contributing to an environmental or social objective through its economic activity. Finally, in the event that none of the four above-mentioned impact scores is available for a company (notably in the case of a company not covered by MSCI), an analysis of its contribution to the SDGs will be carried out internally using the "Score ODD ID" internal score (broader than the SDG Score, as it focuses on 17 SDGs instead of 9).

In practice, this financial product has achieved 75% sustainable investment.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the financial product's sustainable investments do not cause significant harm to an environmental or social objective (DNSH), La Financière de l'Echiquier has applied a "DNSH" procedure for products with a sustainable investment objective, including:

- Sectoral and normative exclusions (recalled below) that reduce exposure to social and environmental harm: tobacco, coal, recreational cannabis, controversial armaments.

How were the indicators for adverse impacts on sustainability factors taken into account?

With regard to negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes 2 additional indicators (investments in companies with no carbon reduction initiatives and investments in issuers with no policy to prevent work-related accidents). They are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and management of ESG performance indicators (carbon intensity, ESG controversy score) as shown below:

CLIMATE & ENVIRONMENT PILLAR

- Scope 1, 2 and 3 greenhouse gas emissions by measuring and managing CO2 emissions and equivalents for all scopes (1, 2, 3),

- Carbon footprint, measured and managed using the Carbon Impact Ratio methodology (ratio of emissions saved to emissions induced),

- Carbon intensity of invested companies (in teqCO2) calculated according to the intensity of induced emissions (WACI),

- Exposure of invested companies to fossil fuels taken into account in ESG analysis,

- The proportion of non-renewable energy consumption and production taken into account in ESG analysis,

- Impact on biodiversity through ESG analysis, Climate and Biodiversity Maturity Score and Biodiversity Footprint measurement,

- Impact on biodiversity through ESG analysis and measurement of biodiversity footprint,

- Tons of priority substances discharged into water taken into account in ESG analysis

- Tons of hazardous waste included in ESG analysis,

- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

SOCIAL PILLAR, HUMAN RESOURCES AND RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS

- The proportion of issuers involved in violations of the UN Global Compact or OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,

- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the principles of the United Nations Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,

- The gender pay gap taken into account in ESG analysis,

- Diversity on company boards in terms of % of women, depending on the different legislation in different countries and the level of proactivity of companies in this area, taken into account in ESG analysis,

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, etc.) taken into account in the sectoral exclusion policy,

- Investments in issuers with no workplace accident prevention policy taken into account in the ESG analysis (additional indicator).

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

Thanks to our normative exclusion policy and MSCI ESG Research's controversy monitoring, which includes the exclusion of the most controversial companies (including those guilty of violating the United Nations Global Compact), we have ensured that the following two IAPs are taken into account:

- The proportion of issuers involved in breaches of the UN Global Compact or the OECD Guidelines,

- The proportion of investments in issuers with no compliance process or mechanism for monitoring compliance with the principles of the United Nations Global Compact or the OECD Guidelines.

How did this financial product consider principal adverse impacts on sustainability factors?



With regard to negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes the following 2 additional indicators: investments in companies with no carbon reduction initiatives, and investments in issuers with no policy to prevent work-related accidents. They are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and management of ESG performance indicators (carbon intensity, ESG controversy score). Details of the indicators taken into account are given above.

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 Union 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.



What were the top investments of this financial product?

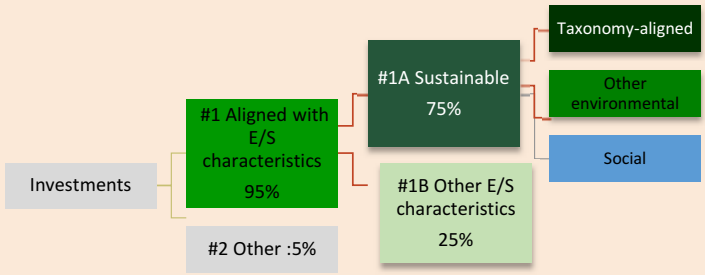
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Major investments at 03/31/2023	Economic sectors	% of assets	Country
LIQUIDITES EN EURO		5,50%	
ENGIE	Utilities	1,30%	France
LONDON STOCK EXCHANGE	Financials	1,20%	UK
MICROSOFT	IT	1,10%	US
IBERDROLA 1.874% HYBRID NC 01/26	Utilities	1,10%	Spain
AIR LIQUIDE	Materials	1,10%	France
CM ARKEA 0.75% SR PREF 01/2030	Financials	1,10%	France
BNP PARIBAS	Financials	1,10%	France
BNP PARIBAS 6.875% PERP NC 12/29	Financials	1,00%	France
VISA 1.5% 15/06/2026	Financials	1,00%	US
CARREFOUR	Consumer Staples	1,00%	France
CREDIT AGRICOLE	Financials	1,00%	France
STELLANTIS	Consumer Discretionary	1,00%	France
EDP RENOVAVEIS	Utilities	1,00%	Spain
VEOLIA ENVIRONNEMENT 2.25% HYBRID NC 01/26	Utilities	1,00%	France

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#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.

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

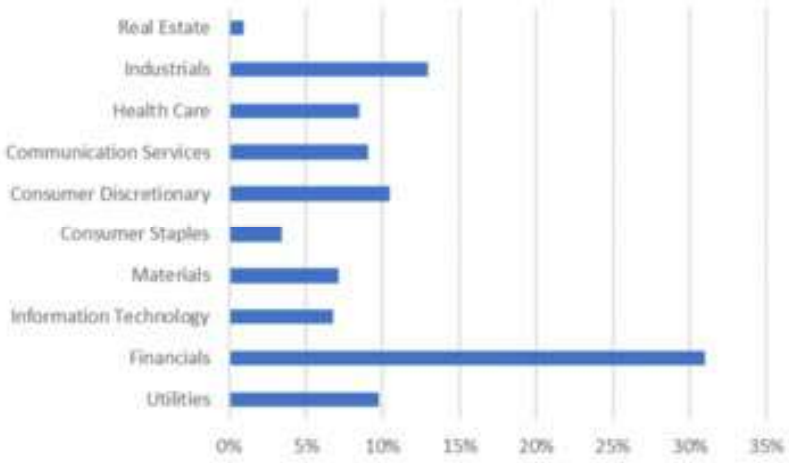
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?



Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

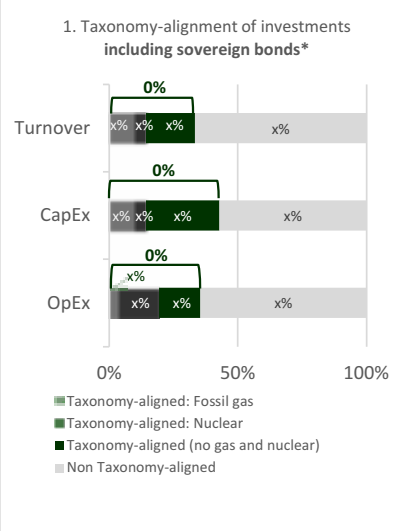
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

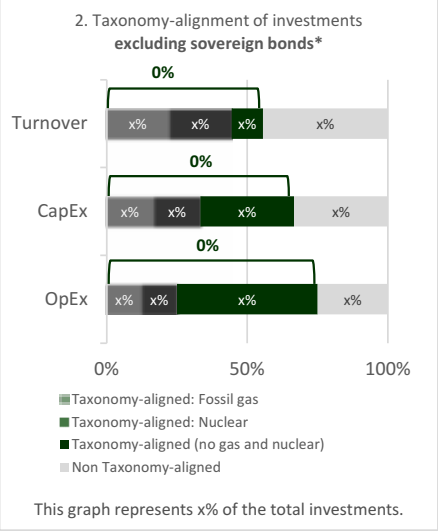
Yes:

In fossil gas In nuclear energy

x No

The graphs below show in green the percentage of investments that were 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

To date, the methodology used to calculate sustainable investments does not allow us to precisely identify sustainable investments that meet only environmental objectives.



What was the share of socially sustainable investments?

To date, the methodology used to calculate sustainable investments does not make it possible to precisely identify sustainable investments that meet only social objectives.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The "non-sustainable" category was made up of corporate bonds that do not meet our sustainable investment criteria, as well as cash. The same sectoral and normative exclusion policy applies to all assets in the portfolio.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The "non-sustainable" category was made up of corporate bonds that do not meet our sustainable investment criteria, as well as cash. The same sectoral and normative exclusion policy applies to all assets in the portfolio.



How did this financial product perform compared to the reference benchmark?

The Fund does not have a sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?`***

  Not applicable

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Echiquier Major SRI Growth Europe **Legal entity identifier:** 969500YB5I7DJ067N354

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 40% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund's responsible investment strategy is based on ESG criteria highlighting the environmental and/or social characteristics promoted by this financial product, such as reducing the environmental impact of companies in terms of air pollution, protecting biodiversity, ensuring that companies take environmental risks into account, improving working conditions, protecting employees and combating discrimination.

All portfolio positions have benefited from extra-financial analysis

How did the sustainability indicators perform?

Indicators	31/03/2023
ESG rating	
ESG rating (source: LFDE)	7,2/10
Note Environnement (source LFDE)	7,2/10
Note Social (source LFDE)	7,0/10
Governance note (source: LFDE)	7,4/10
Other indicators*	
Carbon intensity of Induced Emissions (source Carbon4 Finance)	41,6
Ratio of Emissions Saved to Emissions Induced (source Carbon4 Finance)	0,1
ESG Controversy Score (source MSCI ESG Research): where a score of 10/10 indicates the absence of controversy.	5,5/10
Signatories of the United Nations Global Compact	78,4%
Staff turnover rate	13,4%

**The calculation of these indicators can be based on estimated data.*

…and compared to previous periods?

Indicators	31/03/2022	31/03/2023	Minimum expectations
ESG rating			
ESG rating (source: LFDE)	7,2/10	7,2/10	5,5/10

Note Environnement (source LFDE)	7,2/10	7,2/10	/
Note Social (source LFDE)	6,9/10	7,0/10	/
Governance note (source: LFDE)	7,4/10	7,4/10	/
Other indicators*			
Carbon intensity of Induced Emissions (source Carbon4 Finance)	89,8	41,6	/
Ratio of Emissions Saved to Emissions Induced (source Carbon4 Finance)	0,1	0,1	/
ESG Controversy Score (source MSCI ESG Research): where a score of 10/10 indicates the absence of controversy.	6,0/10	5,5/10	/
Signatories of the United Nations Global Compact	81,2%	78,4%	/
Staff turnover rate	11,0%	13,4%	/

**The calculation of these indicators can be based on estimated data.*

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investment objectives partly pursued by the financial product were to contribute to achieving the United Nations' Sustainable Development Goals (SDGs) (including combating climate change, protecting biodiversity and improving access to healthcare worldwide). To assess this positive contribution to society and the environment, the financial product uses the three impact scores developed in-house by La Financière de l'Échiquier (ODD Score (focus on 9 ODD), Climate & Biodiversity Maturity Score (MCB), AAAA Score (focusing on access to health)) and an external score called "MSCI ODD Score" built from MSCI ESG Research data. If the issuer scores sufficiently well on one of these four scores, it will be considered to be contributing to an environmental or social objective through its economic activity. Finally, in the event that none of the four above-mentioned impact scores is available for a company (notably in the case of a company not covered by MSCI), an analysis of its contribution to the SDGs will be carried out internally using the "Score ODD ID" internal score (broader than the SDG Score, as it focuses on 17 SDGs instead of 9).

In practice, this financial product has achieved 85% sustainable investment.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the financial product's sustainable investments do not cause significant harm to an environmental or social objective (DNSH), La Financière de l'Echiquier has applied a "DNSH" procedure for products with a sustainable investment objective, including:

- Sectoral and normative exclusions (recalled below) that reduce exposure to social and environmental harm: tobacco, coal, recreational cannabis, controversial armaments.

How were the indicators for adverse impacts on sustainability factors taken into account?

With regard to negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes 2 additional indicators (investments in companies with no carbon reduction initiatives and investments in issuers with no policy to prevent work-related accidents). They are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and management of ESG performance indicators (carbon intensity, ESG controversy score) as shown below:

CLIMATE & ENVIRONMENT PILLAR

- Scope 1, 2 and 3 greenhouse gas emissions by measuring and managing CO2 emissions and equivalents for all scopes (1, 2, 3),

- Carbon footprint, measured and managed using the Carbon Impact Ratio methodology (ratio of emissions saved to emissions induced),

- Carbon intensity of invested companies (in teqCO2) calculated according to the intensity of induced emissions (WACI),

- Exposure of invested companies to fossil fuels taken into account in ESG analysis,

- The proportion of non-renewable energy consumption and production taken into account in ESG analysis,

- Impact on biodiversity through ESG analysis, Climate and Biodiversity Maturity Score and Biodiversity Footprint measurement,

- Impact on biodiversity through ESG analysis and measurement of biodiversity footprint,

- Tons of priority substances discharged into water taken into account in ESG analysis

- Tons of hazardous waste included in ESG analysis,

- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

SOCIAL PILLAR, HUMAN RESOURCES AND RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS

- The proportion of issuers involved in violations of the UN Global Compact or OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,

- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the principles of the United Nations Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,

- The gender pay gap taken into account in ESG analysis,

- Diversity on company boards in terms of % of women, depending on the different legislation in different countries and the level of proactivity of companies in this area, taken into account in ESG analysis,

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, etc.) taken into account in the sectoral exclusion policy,

- Investments in issuers with no workplace accident prevention policy taken into account in the ESG analysis (additional indicator).

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

Thanks to our normative exclusion policy and MSCI ESG Research's controversy monitoring, which includes the exclusion of the most controversial companies (including those guilty of violating the United Nations Global Compact), we have ensured that the following two IAPs are taken into account:

- The proportion of issuers involved in breaches of the UN Global Compact or the OECD Guidelines,

- The proportion of investments in issuers with no compliance process or mechanism for monitoring compliance with the principles of the United Nations Global Compact or the OECD Guidelines.

How did this financial product consider principal adverse impacts on sustainability factors?



With regard to negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes the following 2 additional indicators: investments in companies with no carbon reduction initiatives, and investments in issuers with no policy to prevent work-related accidents. They are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and management of ESG performance indicators (carbon intensity, ESG controversy score). Details of the indicators taken into account are given above.

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 Union 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.



What were the top investments of this financial product?

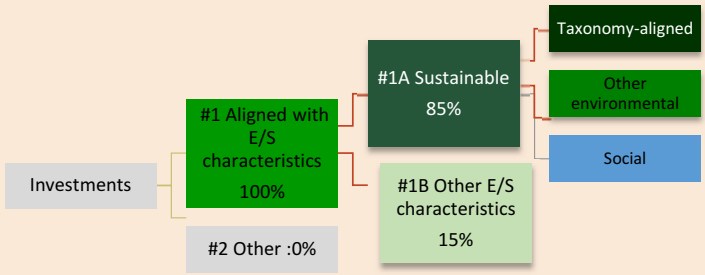
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Major investments at 03/31/2023	Economic sectors	% of assets	Country
NOVO NORDISK	Health care	6,60%	Denmark
ASML	IT	5,20%	Netherlands
LVMH	Consumer Discretionary	5,00%	France
ALLIANZ	Financials	4,50%	Germany
LINDE US	Materials	4,10%	Ireland
ACCENTURE	IT	4,10%	Ireland
UNIVERSAL MUSIC GROUP	Communication services	3,90%	Netherland
LONDON STOCK EXCHANGE	Financials	3,90%	UK
LEGRAND	Industrials	3,90%	France
PERNOD RICARD	Consumer Staples	3,80%	France
DASSAULT SYSTEMES	IT	3,80%	France

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

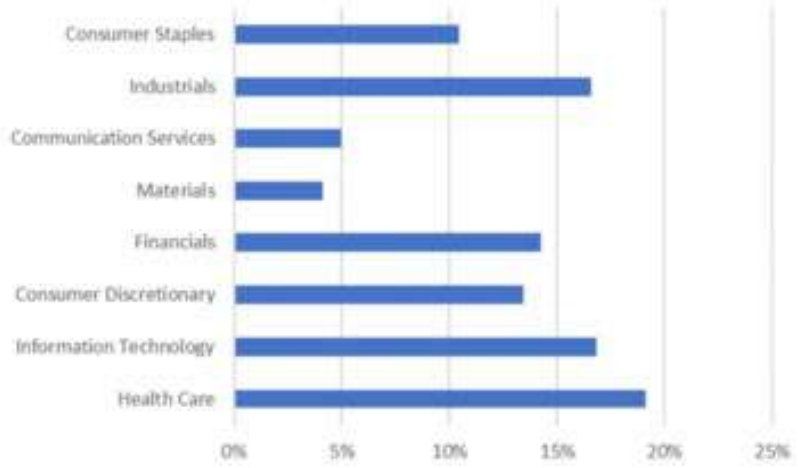


#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

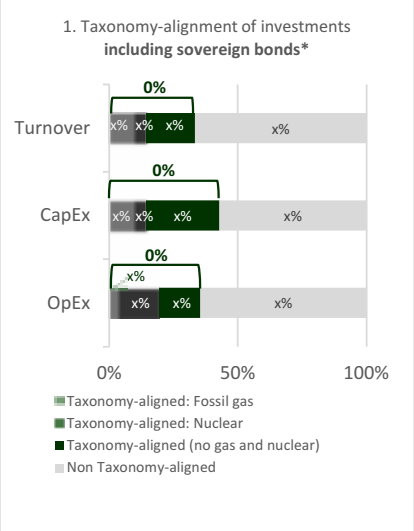
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

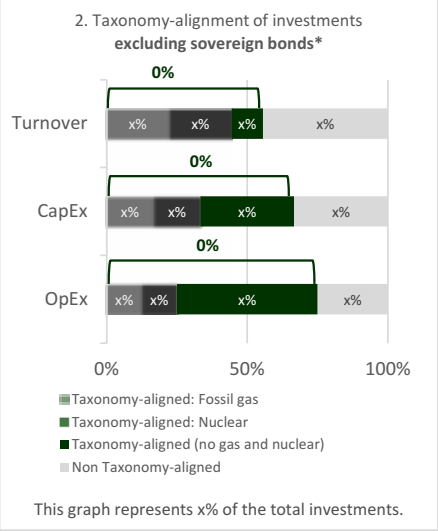
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Not applicable

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

To date, the methodology used to calculate sustainable investments does not allow us to precisely identify sustainable investments that meet only environmental objectives.



What was the share of socially sustainable investments?

To date, the methodology used to calculate sustainable investments does not make it possible to precisely identify sustainable investments that meet only social objectives.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The "non-sustainable" category was made up of corporate bonds that do not meet our sustainable investment criteria, as well as cash. The same sectoral and normative exclusion policy applies to all assets in the portfolio.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The "non-sustainable" category was made up of corporate bonds that do not meet our sustainable investment criteria, as well as cash. The same sectoral and normative exclusion policy applies to all assets in the portfolio.



How did this financial product perform compared to the reference benchmark?

The Fund does not have a sustainable investment objective.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?`***

  Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

ANNEX IV

Model periodic information for financial products referred to in Article 8(1), (2) and (*2a)* of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product Name: Echiquier Patrimoine

Legal Entity ID: 969500U9Q44OMJ82T630

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes	No
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 10 % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent have the environmental and/or social characteristics promoted by this financial product been achieved?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The responsible investment strategy is based on ESG criteria highlighting the environmental and/or social characteristics promoted by this financial product, such as the reduction of the environmental impact of companies in terms of air pollution, the protection of biodiversity, the consideration by companies of environmental risks... or the improvement of working conditions, the protection of employees, the fight against discrimination...
All the positions in the portfolio have benefited from an extra financial analysis (excluding SPAC).

How did the sustainability indicators perform?

Indicators	31/03/2023
ESG rating	
ESG rating (source LFDE)	6,8/10
Note Environment (source LFDE)	7,1/10
Note Social (source LFDE)	6,3/10
Governance note (source LFDE)	7,1/10
Other Indicators	
Carbon Intensity of Induced Emissions (source Carbon4 Finance)	161,7

**The calculation of this indicator can be based on estimated data*

...and compared to previous periods?

Indicators	31/03/2022	31/03/2023	Minimum expected
ESG rating			
ESG rating (source LFDE)	6,6/10	6,8/10	4,0/10
Note Environment (source LFDE)	6,9/10	7,1/10	/
Note Social (source LFDE)	5,8/10	6,3/10	/
Governance note (source LFDE)	7,1/10	7,1/10	/
Other Indicators			
Carbon Intensity of Induced Emissions (source Carbon4 Finance)	159,7	161,7	/

**The calculation of these indicators can be based on estimated data*

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investment objectives of the financial product were to contribute to the achievement of the United Nations Sustainable Development Goals (including the fight against climate change, the protection of biodiversity and the improvement of access to health in the world). To assess this positive contribution to society and the environment, the financial product uses three impact scores developed internally by La Financière de l'Échiquier (SDG Score (focus on 9 SDGs), Climate & Biodiversity Maturity Score (MCB), AAAA Score (focus on access to health)) and an external score called the "MSCI SDG Score" built from MSCI ESG Research data. If the issuer has a sufficient score on one of these four scores, it will be

considered that its economic activity contributes to an environmental or social objective. Finally, in the event that none of the four impact scores mentioned above is available for a company (notably in the case of a company not covered by MSCI), an analysis of the contribution to the SDGs will be carried out internally through the internal "SDG ID Score" (broader than the SDG Score because it focuses on 17 SDGs instead of 9).

In practice, this financial product has achieved 75% of sustainable investments.



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the financial product's sustainable investments do not cause significant harm to an environmental or social objective (DNSH), La Financière de l'Echiquier has applied a "DNSH" procedure for products with a sustainable investment objective, including:
- Sectoral and normative exclusions (recalled below) that reduce its exposure to social and environmental harms: tobacco, coal, recreational cannabis, controversial armaments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Regarding negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes 2 additional indicators (investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent work accidents). These indicators are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as follows

CLIMATE & ENVIRONMENT PILLAR
- Scope 1, 2 and 3 greenhouse gas emissions by measuring and monitoring CO2 emissions and equivalents for all scopes (1, 2, 3),
- The carbon footprint, measured and monitored using the Carbon Impact Ratio methodology (ratio of saved emissions to induced emissions),
- The carbon intensity of the invested companies (in tCO2) calculated according to the intensity of the induced emissions (WACI),
- The exposure of invested companies to fossil fuels is taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- The impact on biodiversity through ESG analysis, the Climate and Biodiversity Maturity Score and the measurement of the biodiversity footprint,
- The impact on biodiversity through ESG analysis and the measurement of the biodiversity footprint,
- Tons of priority substances discharged into water considered in ESG analysis
- Tons of hazardous waste considered in the ESG analysis,
- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

SOCIAL PILLAR, HUMAN RESOURCES AND RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS
- The share of issuers involved in violations of the UN Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,
- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the principles of the UN Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,
- The gender pay gap taken into account in the ESG analysis,
- Diversity on company boards in terms of % of women according to the different legislation between countries and the level of voluntarism and proactivity of companies on the subject, taken into account in the ESG analysis,
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, etc.) taken into account in the sectoral exclusion policy,
- Investments in issuers without a policy of prevention of occupational accidents taken into account in the ESG analysis (additional indicator).

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and

Human Rights? Details:

Through our normative exclusion policy and MSCI ESG Research's controversy monitoring, including the exclusion of the most controversial companies (including companies guilty of violating the UN Global Compact), we have ensured that the following two PAIs are included:
- The share of issuers involved in violations of the UN Global Compact or the OECD Guidelines,
- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the UN Global Compact or 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 Union criteria.

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

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



How did this financial product address key negative impacts on sustainability factors?

Regarding negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes the following two additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent work-related accidents. These indicators are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score). The details of the indicators taken into account are mentioned above.



What were the main investments in this financial product?

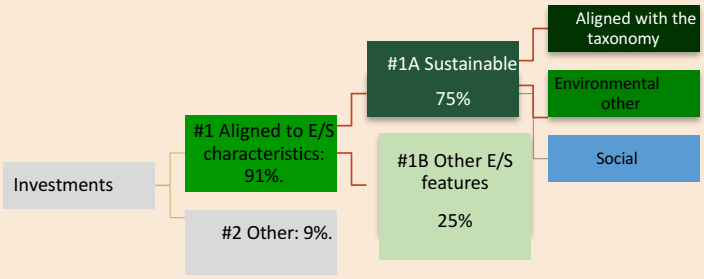
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments as of 31/03/2023	Economic sectors	of assets	Country
Cash in Euro	-	8,80%	-
BFCM 3% T2 05/2024	Financial products	2,20%	France
BT ENGIE 06/04/23 tx 2.55%	Community services	2,10%	N/A
BT DANONE 06/04/23 tx 2.66%	Basic necessities	2,10%	N/A
BT ELIS 11/04/23 tx 2.82%	Industry	2,10%	N/A
BT VEOLIA 25/04/23 tx 2.55%	Utilities	2,10%	N/A
BT BIC 08/05/23 tx 3.04%	Industry	2,10%	N/A
BT NEXANS 30/05/23 tx 3.37%	Industry	2,10%	France
AXA 3.375% 06/07/2047	Financial products	2,00%	France
CREDIT AGRICOLE 0.125% SR NON PREF 12/2027	Financial products	1,80%	France
LINDE INC/CT 1.625% 01/12/2025	Materials	1,80%	Ireland
ADECCO INT FINANCIAL SVS 0.125% 21/09/2028	Industry	1,70%	Switzerland
INTESA SANPAOLO 0.75% SR PREF 04/2024	Financial products	1,70%	Italy
VOLVO 0.125% 17/09/2024	Industry	1,70%	Sweden
VATTENFALL AB 0.050% 15/10/2025	Utilities	1,60%	Sweden

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



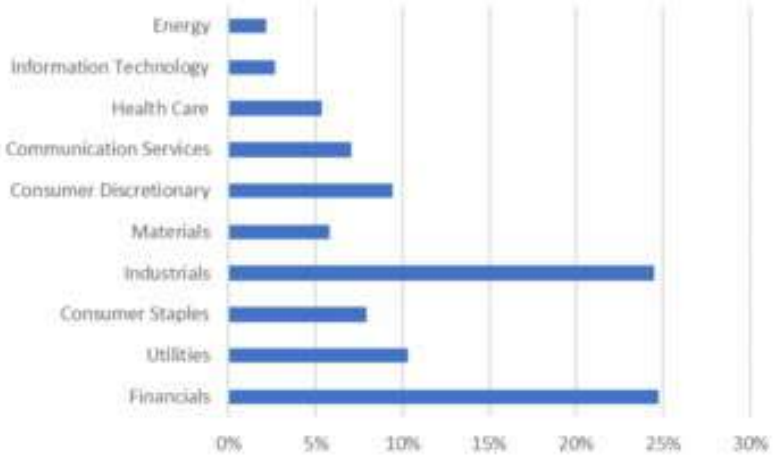
Category **#1 Aligned with E/S Characteristics** includes financial product investments used to achieve the environmental or social characteristics promoted by the financial product.

Category **#2 Other** includes the remaining investments in the financial product that are neither aligned with environmental or social characteristics nor considered sustainable investments.

Category **#1 Aligned to E/S Features** includes:

- Sub-category **#1A Sustainable** covering environmentally sustainable investments and

In which economic sectors were the investments made?



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what extent were sustainable investments with an environmental objective aligned with the EU taxonomy?

Has the financial product invested in fossil gas and/or nuclear energy activities that comply with the EU taxonomy[1] ?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

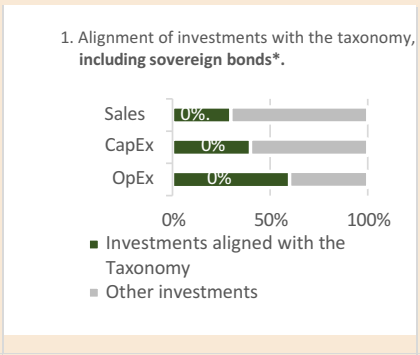
☒ No

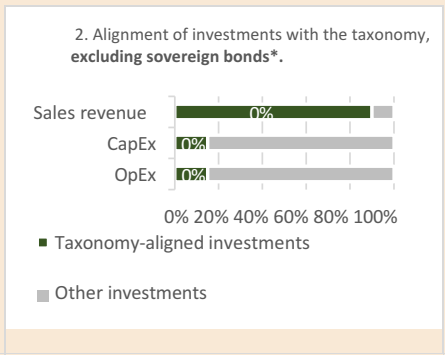
[1] Fossil gas and/or nuclear activities will only be consistent with the EU taxonomy if they contribute to limiting climate change ("mitigation") and do not cause significant harm to any objective of the EU taxonomy - see explanatory note in the left margin. The set of criteria for economic activities in the fossil gas and nuclear energy sectors that are consistent with the EU taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

In the absence of data reported by companies, we do not produce data on this indicator.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) shows the green investments made by investee companies, e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





**For the purposes of these charts, "sovereign bonds" include all sovereign exposures.*

How much of the investment was in transitional and enabling activities?

Not applicable

What is the percentage of investments aligned with the EU taxonomy compared to previous reporting periods?

Not applicable

What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?

To date, the methodology for calculating sustainable investments does not allow for the precise identification of sustainable investments that meet only environmental objectives.

What was the share of socially sustainable investments?

To date, the methodology for calculating sustainable investments does not allow for the precise identification of sustainable investments that meet only social objectives.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

What investments were included in the "other" category, what was their purpose, and were there any minimum environmental or social safeguards?

The "non-sustainable" category was composed of stocks of companies that do not meet our sustainable investment criteria, as well as cash. The same sector and normative exclusion policy applies to all portfolio assets.

What actions were taken to meet environmental and/or social characteristics during the reporting period?

The "non-sustainable" category was composed of stocks of companies that do not meet our sustainable investment criteria, as well as cash. The same sector and normative exclusion policy applies to all portfolio assets.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

How has this financial product performed against the benchmark?

The UCI does not have a sustainable investment objective.

How does the benchmark differ from a broad market index?

Not applicable

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable

How has this financial product performed against the benchmark?

Not applicable

How has this financial product performed against the broad market index?

Not applicable

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: LAZARD CREDIT FI SRI

Legal entity identifier: 969500FR3TNUVM8YL814

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ It made **sustainable investments with an environmental objective:**

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made a minimum of **sustainable investments with a social objective**

● ☒ **No**

☒ It promoted **Environmental/Social (E/S) characteristics** and

while it did not have as its objective a sustainable investment, it had a proportion of 50,27% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

In implementing its investment strategy, security analysis, and ESG integration process described below, the portfolio promotes the following environmental characteristics:

Environmental policy:

- Integration by companies of environmental factors appropriate to the sector, geographic location and any other relevant material factor
- Development of an environmental management strategy and system
- Development of a climate strategy

Controlling environmental impacts:

- Limiting and adapting to global warming
- Responsible water and waste management
- Preservation of biodiversity

Managing the environmental impact of products and services:

- Ecodesign of products and services
- Environmental innovation

Moreover, the portfolio promotes the following social characteristics:

Respect for human rights:

- Prevention of situations of human rights violations
- Respect for the right to safety and security of persons
- Privacy and data protection

Human resources management:

- Constructive social dialogue
- Training and career management conducive to human development
- Promotion of diversity
- Health, safety and well-being at work

Value chain management:

- Responsible supply chain management
- Product quality, safety and traceability

This product does not use a specific index to determine its alignment with the environmental and social characteristics it promotes.

- ***How did the sustainability indicators perform?***

The achievement of the environmental and social characteristics promoted by this product is measured by sustainability indicators at several levels:

In terms of valuation in the internal analysis model:
The ESG analysis of directly held securities is based on a proprietary model that relies on an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), the annual reports of the companies and direct exchanges with them, the analysts responsible for monitoring each stock draw up an internal ESG rating.

This rating is based on both a quantitative (energy intensity, staff turnover rate, board independence rate, etc.) and qualitative approach (solidity of environmental policy, employment strategy, competence of directors, etc.).

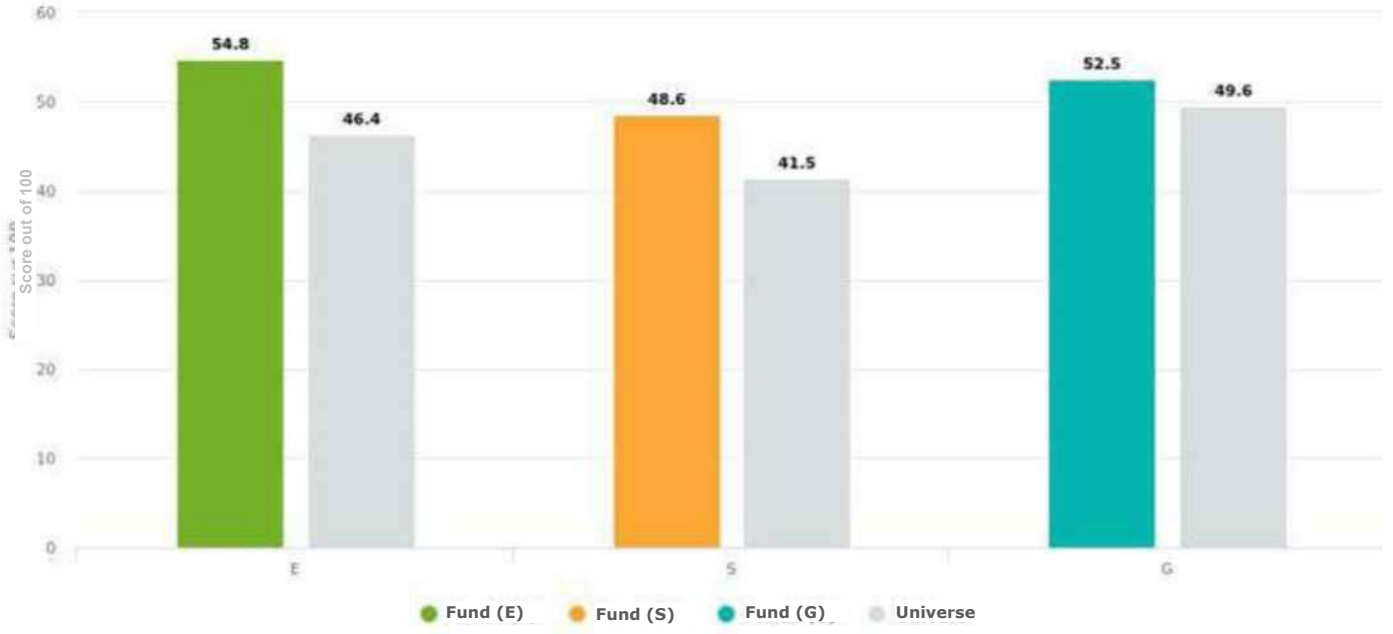
Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten relevant key indicators per dimension.

These internal ESG ratings are built into the valuation models through the Beta used to define the weighted average cost of capital (WACC) for equity management and to the issuer selection process and the determination of issuers' weight in the portfolio for bond management. In terms of controlling the elements of the investment strategy with an external data provider:
In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe using Moody's ESG Solutions ratings (ratings between 0 and 100).



The portfolio's ESG reference universe is:
The Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks

ESG score by pillar



- ***…and compared to previous periods?***

  Not applicable

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  The definition of sustainable investment within the meaning of the SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental and social objectives, which do not harm any of the adverse impact indicators and ensures good governance principles.

  The environmental indicators used are as follows:
  - Carbon footprint (PAI 2)
  - Carbon intensity (PAI 3)
  - Implied temperature rise (ITR)
  - Number of “low-carbon” patents held

  The social indicators used are as follows:
  - % women in executive management
  - Number of hours of training for employees
  - Benefits coverage
  - Diversity policies by management

  A sustainable investment objective is attained if the substantial contribution of the corresponding indicator is validated, the other indicators are not prejudiced, and good governance principles are complied with. Substantial contribution is measured by the application of thresholds for each of the above indicators.

The table below presents the rules (targets) set for each indicator as well as the result obtained over the past period. The result is the average share of the portfolio invested in companies meeting these criteria, calculated on a quarterly basis. The average share is calculated according to the average positions observed over the past period, coupled with the non-financial data at the end of the period.

	Rule	Average share of the portfolio
Carbon footprint in €m	Included in the lowest 20% of the sector	2,59%
GHG intensity	Included in the lowest 20% of the sector	5,40%
Implied temperature rise in 2100	≤2°C	36,07%
Number of low-carbon patents	Included in the top 20% of the universe	-
% of women in executive management	Included in the top 20% of the universe	-
Number of hours of training for employees	Included in the top 20% of the universe	0,99%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	5,11 %
Diversity policies by management	See presentation www.lazardfreresgestion.fr	16,72%

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for PAI 12, use of an

indicator on management attention to diversity). Using alternative criteria is subject to the independent control of the Risks and Compliance department. Alternative indicators are also presented on the Lazard Frères Gestion website under the heading “Sustainable investment methodology”.

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Indicators of the principal adverse sustainability impacts (PAI) are considered at two levels.
Firstly, they are integrated into the internal analysis of each security monitored, carried out by our analyst-managers in the internal ESG analysis grids.
In addition, they are used to assess the share of sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Compliance with minimum labour and human rights safeguards (OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights) and the eight fundamental conventions of the International Labour Organization is a key indicator for verifying that companies in which investments are made apply good governance practices.

We therefore check whether the company applies a labour rights due diligence policy in accordance with the eight fundamental conventions of the International Labour Organization (PAI 10) as part of our DNSH process. We also ensure that the investments made apply good governance practices, by monitoring a governance rating from a data provider and the internal rating on the Governance pillar.

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 Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The proprietary model for ESG analysis of portfolio companies takes into account all indicators related to companies' principal adverse impacts (PAI) in terms of sustainability.

These indicators are integrated into the internal grids used to establish a security's ESG rating, which is taken into account in the valuation models through the Beta used to define the weighted average cost of capital for equity management and in the process of selecting issuers and determining their portfolio weight for bond management.

In addition, as stated above, all of the PAI indicators listed in Table 1 of Annex I of the Regulatory Technical Standards of the SFDR are taken into account in the definition of sustainable investment.



What were the top investments of this financial product?

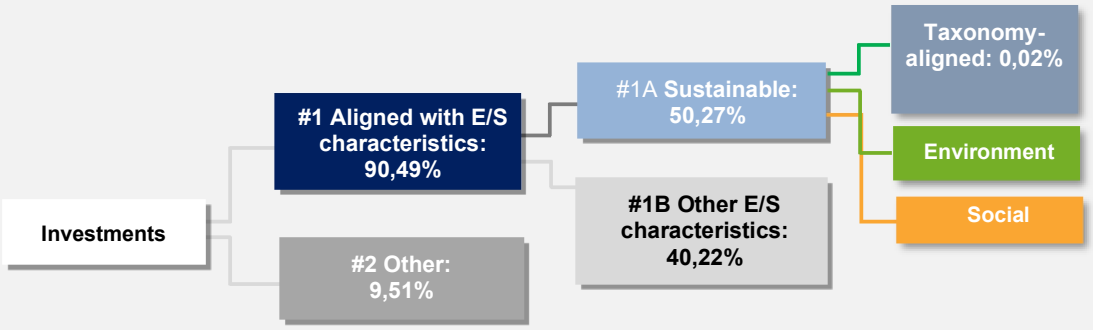
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	Percentage of assets	Country
1. LAZARD EURO MONEY MARKET	UCI	3,67%	France
2. FORTIS BKTV07-191272 CV	Unknown sector	2,87%	United States

Largest investments	Sector	Percentage of assets	Country
3. **FONDIARIASAI 5.75% 31-12-99**	Financial and insurance activities	2,48%	Italy
4. **RAIFFEISEN BANK INTL AG 2.875% 18-06-32**	Financial and insurance activities	2,02%	Austria
5. **DEUTSCHE BANK 4.296% 05/28**	Financial and insurance activities	1,81%	Germany
6. **STANDARD LIFE 4.25% 30-06-28**	Financial and insurance activities	1,74%	United Kingdom
7. **PRUDENTIAL 6.5% 20-10- 48 EMTN**	Financial and insurance activities	1,73%	United Kingdom
8. **BCP 4.0% 17-05-32**	Financial and insurance activities	1,60%	Portugal
9. **BCP 3.871% 27-03-30 EMTN**	Financial and insurance activities	1,56%	Portugal
10. **DRESDR FIN 8.151% 30/06/31 *USD**	Unknown sector	1,55%	United States
11. **CRED SUIS SA GROUP AG 7.5% PERP**	Financial and insurance activities	1,55%	Switzerland
12. **CRED SUIS SA GROUP AG 5.25% PERP**	Financial and insurance activities	1,53%	Switzerland
13. **BANKIA 6.375% PERP**	Financial and insurance activities	1,48%	Spain
14. **UNICAJA BAN 2.875% 13-11-29**	Financial and insurance activities	1,46%	Spain
15. **BBVA 6.0% PERP**	Financial and insurance activities	1,46%	Spain

What was the proportion of sustainability-related investment?

What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#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.

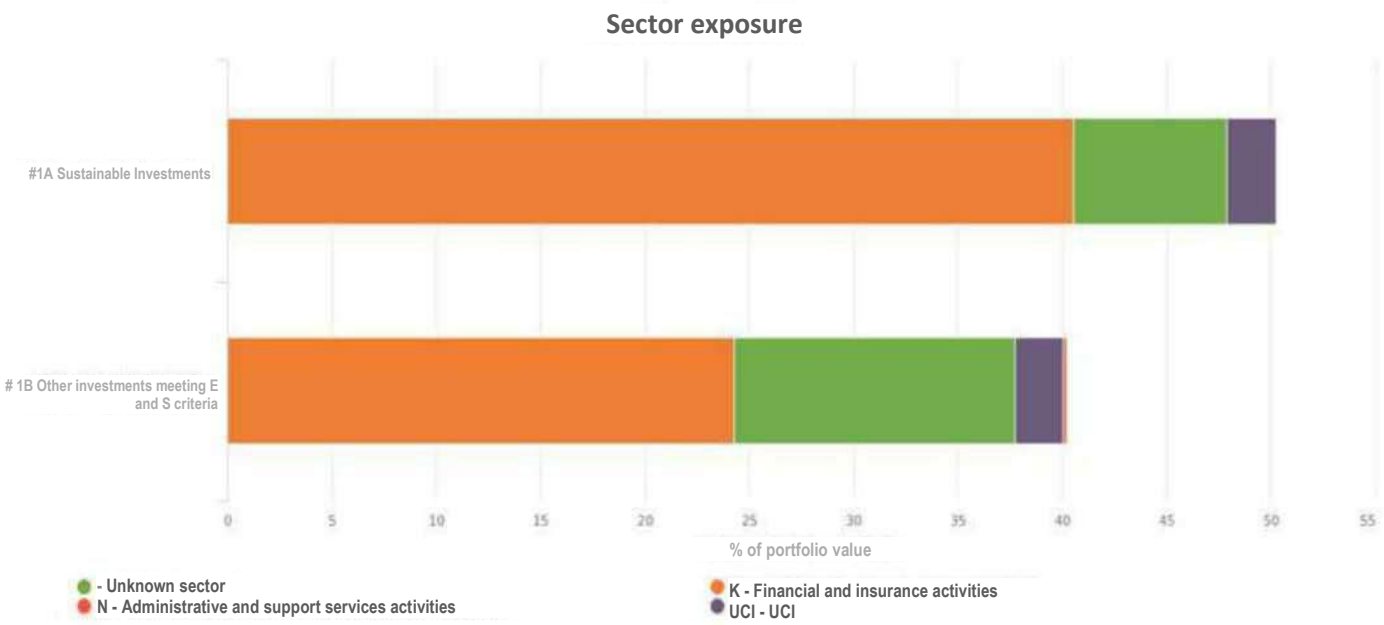
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

Details of sustainable investments	
Weight of sustainable investments in the portfolio	50,27%
Of which sustainable investments E	43,75%
Of which sustainable investments S	24,92%

An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

- ***In which economic sectors were the investments made?***



Exposure to the fossil fuel sector averaged 1,07% over the period.

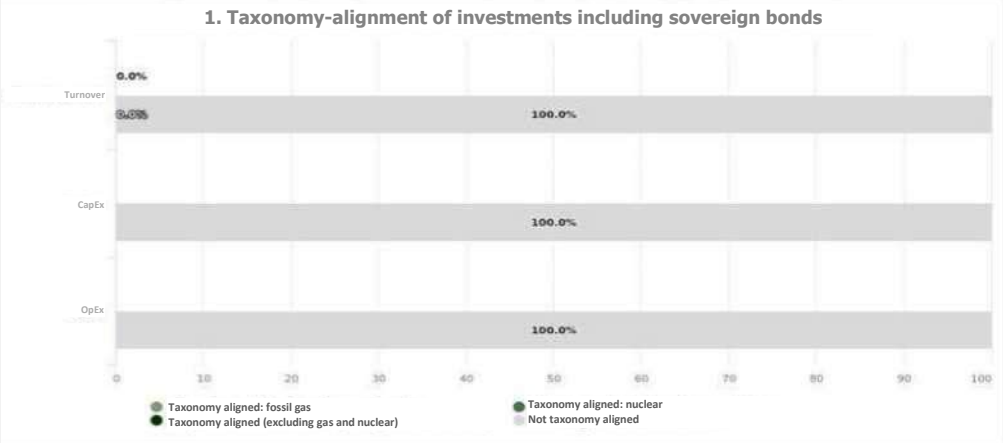
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

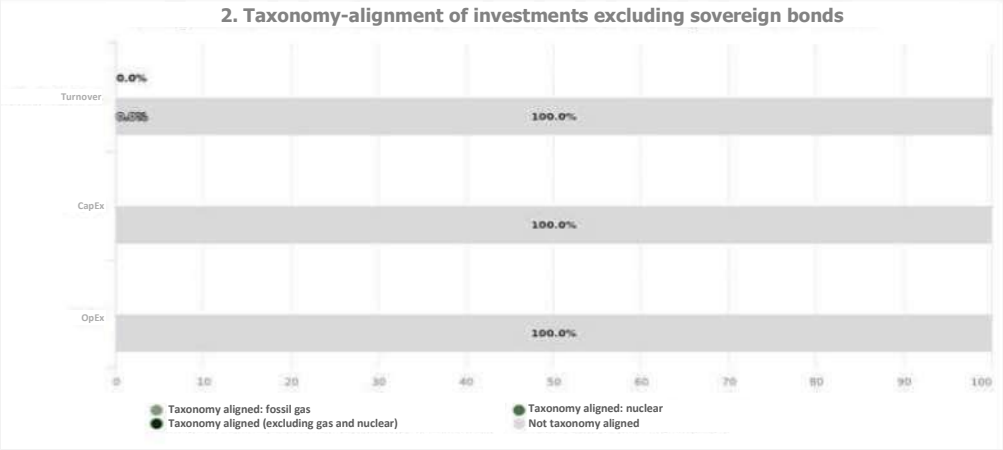
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

- ***Has the financial product invested in Taxonomy aligned activities linked to fossil fuels and/or nuclear energy?***

  At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

The two graphs below show in green the minimum percentage of investments that were 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.





Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The calculation of investment percentages aligned with the EU Taxonomy is based on estimated data.

What was the share of investments made in transitional and enabling activities?

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of transitional or enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy is 43,75%

It corresponds to all activities not aligned with the Taxonomy but respecting the environmental objectives of sustainable investment mentioned above.

What was the share of socially sustainable investments?

The share of socially sustainable investments is 24,92%.

It corresponds to all activities that achieve one or more of the social objectives of sustainable investment mentioned above.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 9,51%.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To promote environmental and social characteristics, the following elements have been respected:

- The non-financial analysis rate

The non-financial analysis rate of the product's investments is over 90%.
This rate is expressed as a percentage of total assets.
Over the past period, the non-financial analysis rate was 90,49% on average.

- The portfolio's average ESG rating

The analysts-managers ensure that the portfolio's weighted average ESG rating is higher than the average of the reference universe by using Moody's ESG Solutions non-financial rating framework (ratings between 0 and 100), after eliminating the 20% of the lowest rated securities.
In addition, the management company makes exclusions prior to investments:

- Normative exclusions related to controversial weapons (cluster munitions, anti-personnel mines, biological and chemical weapons) and violations of the UN Global Compact.
- Sector exclusions (tobacco and thermal coal).
- Geographical exclusions (tax havens on the FATF list).

For more information on the engagement and voting policy, please refer to the voting and engagement reports available at https://www.lazardfreresgestion.fr.



How did this financial product perform compared to the reference benchmark?

Not applicable.

Benchmark indices are indices used to measure whether the financial product has the environmental or social characteristics it promotes.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared to the reference benchmark?***

  Not applicable.

- ***How did this financial product perform compared with the broad market index?***

  Not applicable.

FTGF Brandywine Global Fixed Income Fund

LEI entità: 549300TFZOEP7EEQG432

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

☐ **SÌ**	☒ **NO**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 0,00% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Non tutte le caratteristiche ambientali e/o sociali elencate di seguito sono state promosse da ciascun investimento o dal Fondo in ogni momento.

Le caratteristiche ambientali promosse erano:

- Qualità dell'aria
- Biodiversità e aree protette (marine)
- Biodiversità e aree protette (terrestri)
- Capacità di adattamento ai cambiamenti climatici
- Esposizione al cambiamento climatico
- Sensibilità al cambiamento climatico
- Vulnerabilità al cambiamento climatico
- Emissioni di CO2 generate dal consumo di energia
- Emissioni di CO2 dovute al cambiamento di uso del suolo e alla silvicoltura
- Politica del carbonio - Sovrana
- Dipendenza dalle esportazioni di combustibili fossili
- Deforestazione
- Rischio di siccità
- Sicurezza energetica
- Pressione sull'ambiente
- Emissione totale di gas serra (GHG)
- Riduzione delle emissioni di gas serra: Progresso verso gli obiettivi
- Economia a basse emissioni di carbonio
- Sicurezza delle risorse
- Gestione dei rifiuti
- Inquinamento delle acque
- Sicurezza dell'acqua

Le caratteristiche sociali promosse erano:

- Rischio relativo all'accesso alla giustizia
- Lavoro minorile
- Disordini civili
- Discriminazione sul posto di lavoro
- Salari dignitosi
- Istruzione
- Libertà di associazione e contrattazione collettiva
- Sicurezza alimentare
- Capacità del settore sanitario
- Capitale umano
- Diritti dei popoli indigeni
- Forza lavoro informale
- Lavoratori migranti
- Diritti delle minoranze
- Schiavitù moderna
- Salute e sicurezza sul lavoro
- Povertà
- Minoranze sessuali
- Tendenze della popolazione in età lavorativa
- Diritti delle donne e delle ragazze
- Giovani lavoratori

Durante il periodo di riferimento, gli emittenti inclusi nel 10% con il punteggio più basso (decile inferiore) sono stati esclusi dall'universo investibile.

Gli emittenti che si trovano nel 10-20% del punteggio più basso (secondo decile inferiore) sono stati trattati come candidati per attività di coinvolgimento durante il periodo di riferimento.

Non sono stati utilizzati strumenti derivati per realizzare le caratteristiche ambientali o sociali promosse dal Fondo.

Non è stato stabilito un indice di riferimento inteso a conseguire le caratteristiche ambientali / sociali promosse dal Fondo.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Di seguito sono iriportati gli indicatori di sostenibilità utilizzati per misurare il rispetto delle caratteristiche ambientali o sociali promosse dal Fondo:

A. Informazioni specifiche da inserire nella metodologia di calcolo del punteggio ESG utilizzata dal Gestore del Portafoglio in linea con le caratteristiche ambientali o sociali promosse dal Fondo. Queste informazioni sono tratte da:

1. L'applicazione delle esclusioni ESG.

Il Fondo si impegna a escludere gli emittenti che si trovano nel decile di punteggio più basso dell'universo di investimento. Non sono stati effettuati disinvestimenti in quanto nessuna partecipazione ricadeva nel decile inferiore. Il decile inferiore è rimasto escluso.

2. Il Fondo considera gli emittenti che si collocano nel secondo decile più basso come candidati per attività di coinvolgimento. Di conseguenza, sono state condotte le seguenti iniziative di coinvolgimento: Malesia.

B. Tracciamento degli indicatori specifici del Principal Adverse Impact (PAI). Si rimanda ai valori indicati nella sezione "In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?"

… e rispetto ai periodi precedenti?

Non applicabile in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non rilevante. Il Fondo non s'impegna ad avere investimenti sostenibili.

Il Fondo non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non rilevante. Il Fondo non s'impegna ad avere investimenti sostenibili.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non rilevante. Il Fondo non s'impegna ad avere investimenti sostenibili.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non rilevante. Il Fondo non s'impegna ad avere investimenti sostenibili.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I PAI obbligatori per gli enti sovrani sono stati tracciati e misurati e sono stati oggetto di rendicontazione; il Gestore del Portafoglio ha utilizzato anche le variazioni dei PAI e dei relativi KPI per valutare l'opportunità di miglioramento e i miglioramenti realizzati, che quindi hanno influito sugli investimenti e sulla portata delle singole posizioni. Ai fini delle decisioni di investimento, il Gestore del Portafoglio ha valutato le soglie “non arrecare un danno significativo” a livello fondamentale, di settore/industriale, di paese e di portafoglio. I due PAI per entità sovrane (PAI n. 15 (Intensità di GHG); e PAI n. 16 (Paesi oggetto di investimento soggetti a violazioni sociali)) sono stati compresi nella metodologia di calcolo del punteggio ESG di proprietà del Gestore del Portafoglio.

Indicatori PAI	Valore	Copertura
Intensità di gas serra dei paesi oggetto di investimento USD	488,87	86,14%
Paesi oggetto di investimento soggetti a violazioni sociali	0,00	86,14%



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 2022-01-01 - 2022-12-31.

I principali investimenti di questo Fondo, esclusi la liquidità e gli strumenti derivati, sono stati:

Investimenti di maggiore entità	Settore	Quota	Paese
US TREASURY N/B 1.875% 11/15/51	Titoli di Stato	10,62%	Stati Uniti
KOREA TRSY BD 2.75% 12/10/44	Titoli di Stato	4,95%	Corea del Sud
UK TSY GILT 0.25% 07/31/31	Titoli di Stato	4,87%	Regno Unito
COLOMBIA TES 6% 04/28/28	Titoli di Stato	4,35%	Colombia
BRAZIL NTN-F 10% 01/01/25	Titoli di Stato	3,96%	Brasile
FRANCE O.A.T. 0% 05/25/32	Titoli di Stato	3,83%	Francia
MEXICAN BONOS 7.75% 11/13/42	Titoli di Stato	3,57%	Messico
MEXICAN BONOS 8.5% 11/18/38	Titoli di Stato	3,10%	Messico
MEXICAN BONOS 8.5% 05/31/29	Titoli di Stato	2,80%	Messico
INT BK RECON&DEV 4.25% 01/22/26	Titoli di Stato	2,77%	Sovranazionali
MEXICAN BONOS 8% 11/07/47	Titoli di Stato	2,22%	Messico
INT BK RECON&DEV 7.25% 01/21/27	Titoli di Stato	2,15%	Sovranazionali
REP SOUTH AFRICA 8.75% 02/28/48	Titoli di Stato	2,11%	Sudafrica
US TREASURY N/B 2.25% 02/15/52	Titoli di Stato	2,10%	Stati Uniti
REP SOUTH AFRICA 6.5% 02/28/41	Titoli di Stato	2,08%	Sudafrica

Qual è stata la quota degli investimenti in materia di sostenibilità?

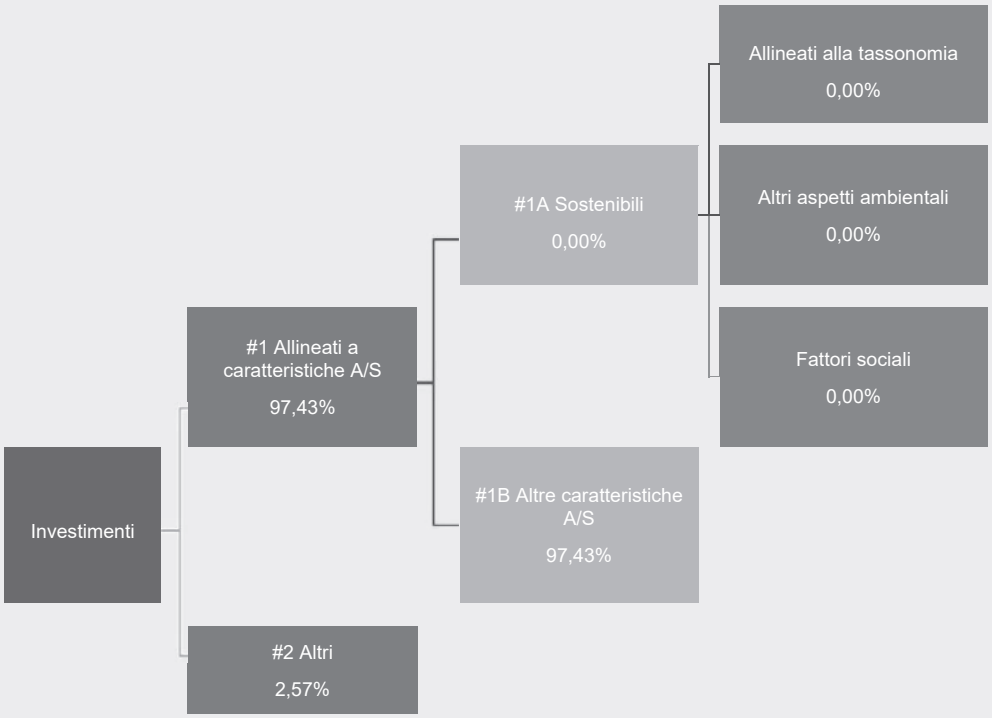
La percentuale di investimenti legati alla sostenibilità era dello 0%.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il 97,43% del portafoglio era allineato alle caratteristiche E/S promosse dal Fondo. La parte restante (2,57%) non era allineata con le caratteristiche promosse e consisteva principalmente in attività liquide.

Il Fondo non ha effettuato alcun investimento sostenibile.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Quota
Titoli di Stato	96,35%
Derivati	0,89%

Sottosettore principale	Quota
SOVRANI	84,56%
BANCA SOVRANAZIONALE	9,14%
AGENZIE REGIONALI	2,65%
DERIVATI	0,89%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Fondo non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

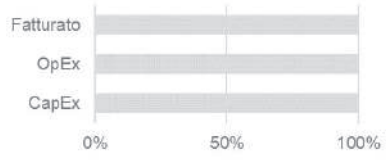
☐ In gas fossile ☐ In energia nucleare

☒ No

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

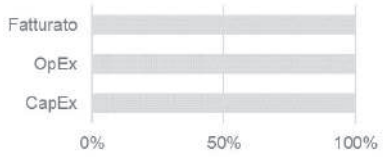
I due grafici che seguono mostrano in verde la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



	CapEx	OpEx	Fatturato
Allineati alla tassonomia: gas fossile	0,00%	0,00%	0,00%
Allineati alla tassonomia: Nucleare	0,00%	0,00%	0,00%
Allineati alla tassonomia (né gas né nucleare)	0,00%	0,00%	0,00%
Non allineati alla tassonomia	100,00%	100,00%	100,00%

2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



	CapEx	OpEx	Fatturato
Allineati alla tassonomia: gas fossile	0,00%	0,00%	0,00%
Allineati alla tassonomia: Nucleare	0,00%	0,00%	0,00%
Allineati alla tassonomia (né gas né nucleare)	0,00%	0,00%	0,00%
Non allineati alla tassonomia	100,00%	100,00%	100,00%

Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Fondo non ha investito in attività transitorie e abilitanti

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non rilevante.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Lo 0% degli investimenti del Fondo sono stati investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE.

Qual era la quota di investimenti socialmente sostenibili?

Lo 0% degli investimenti del Fondo è stato effettuato in attività socialmente sostenibili.

Quali investimenti erano compresi nella categoria «#2 Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "#2 Altro" era del 2,57% e comprendeva liquidità in deposito e strumenti derivati utilizzati per la copertura e i derivati per i quali non sono previste garanzie ambientali o sociali minime.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

1. Il Fondo si impegna a escludere gli emittenti che si trovano nel decile di punteggio più basso dell'universo di investimento. Non sono stati effettuati disinvestimenti in quanto nessuna partecipazione ricadeva nel decile inferiore. Il decile inferiore è rimasto escluso.

2. Il Fondo considera gli emittenti che si collocano nel secondo decile più basso come candidati per attività di coinvolgimento. Di conseguenza, sono state condotte le seguenti iniziative di coinvolgimento: Malesia

3. Fino al 90% degli investimenti è stato monitorato per verificare il peggioramento o il miglioramento dei fattori ambientali e sociali

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

Il Fondo non ha investito in attività transitorie e abilitanti

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non rilevante.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Lo 0% degli investimenti del Fondo sono stati investimenti sostenibili con un obiettivo ambientale che non sono allineati alla tassonomia dell'UE.

Qual era la quota di investimenti socialmente sostenibili?

Lo 0% degli investimenti del Fondo è stato effettuato in attività socialmente sostenibili.

Quali investimenti erano compresi nella categoria «#2 Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

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Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

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Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

FTGF Brandywine Global Income Optimiser Fund

LEI entità: 549300373IZ316KVU890

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e che l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **Tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale Regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero non risultare allineati alla tassonomia

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ SÌ	☒ NO
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota minima del(lo) 1,18% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Poiché il Fondo ha perseguito una strategia non vincolata, le caratteristiche ambientali e/o sociali promosse dal Fondo riflettono molteplici settori del reddito fisso e sono state considerate su base nazionale, fondamentale e settoriale. Non tutte le caratteristiche ambientali e/o sociali elencate di seguito sono state promosse da ciascun investimento o dal Fondo in ogni momento.

Le caratteristiche ambientali sovrane promosse dal Fondo in relazione ai suoi investimenti in obbligazioni sovrane erano:

- Qualità dell'aria
- Biodiversità e aree protette (marine)
- Biodiversità e aree protette (terrestri)
- Capacità di adattamento ai cambiamenti climatici
- Esposizione al cambiamento climatico
- Sensibilità al cambiamento climatico
- Vulnerabilità al cambiamento climatico
- Emissioni di CO2 generate dal consumo di energia
- Emissioni di CO2 dovute al cambiamento di uso del suolo e alla silvicoltura
- Politica del carbonio - Sovrana
- Dipendenza dalle esportazioni di combustibili fossili
- Deforestazione
- Rischio di siccità
- Sicurezza energetica
- Pressione sull'ambiente
- Emissioni totali di gas serra
- Riduzione delle emissioni di gas serra: Progresso verso gli obiettivi
- Economia a basse emissioni di carbonio
- Sicurezza delle risorse
- Gestione dei rifiuti
- Inquinamento delle acque

- Sicurezza dell'acqua

Le caratteristiche sociali sovrane promosse dal Fondo in relazione ai suoi investimenti in obbligazioni sovrane erano:

- Rischio relativo all'accesso alla giustizia
- Lavoro minorile
- Disordini civili
- Discriminazione sul posto di lavoro
- Salari dignitosi
- Istruzione
- Libertà di associazione e contrattazione collettiva
- Sicurezza alimentare
- Capacità del settore sanitario
- Capitale umano
- Diritti dei popoli indigeni
- Forza lavoro informale
- Lavoratori migranti
- Diritti delle minoranze
- Schiavitù moderna
- Salute e sicurezza sul lavoro
- Povertà
- Minoranze sessuali
- Tendenze della popolazione in età lavorativa
- Diritti delle donne e delle ragazze
- Giovani lavoratori

Le caratteristiche ambientali e sociali promosse dal Fondo in relazione ai suoi investimenti in obbligazioni societarie erano:

- Emissioni di gas serra
- Impronta di carbonio
- Intensità di gas serra delle società partecipate
- Esposizione a società attive nel settore dei combustibili fossili
- Quota di consumo e produzione di energia non rinnovabile
- Intensità del consumo energetico per settore ad alto impatto climatico
- Attività che incidono negativamente su aree sensibili alla biodiversità
- Emissioni nelle acque
- Quota di rifiuti pericolosi
- Violazione dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) per le imprese multinazionali
- Assenza di processi e meccanismi di conformità per monitorare il rispetto dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali
- Divario retributivo di genere non corretto
- Diversificazione dei sessi nel consiglio di amministrazione
- Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)

Durante il periodo di riferimento, gli emittenti inclusi nel 10% con il punteggio più basso (decile inferiore) sono stati esclusi dall’universo investibile.

Gli emittenti che si trovano nel 10-20% del punteggio più basso (secondo decile inferiore) sono stati trattati come candidati per attività di coinvolgimento durante il periodo di riferimento.

Non sono stati utilizzati strumenti derivati per realizzare le caratteristiche ambientali o sociali promosse dal Fondo.

Non è stato stabilito un indice di riferimento inteso a conseguire le caratteristiche ambientali / sociali promosse dal Fondo.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Di seguito sono iriportati gli indicatori di sostenibilità utilizzati per misurare il rispetto delle caratteristiche ambientali o sociali promosse dal Fondo:

A. Informazioni specifiche da inserire nella metodologia di calcolo del punteggio ESG utilizzata dal Gestore del Portafoglio in linea con le caratteristiche ambientali o sociali promosse dal Fondo. Queste informazioni sono tratte da:

1. L'applicazione delle esclusioni ESG.

Il Fondo si impegna a escludere gli emittenti che si trovano nel decile di punteggio più basso dell'universo di investimento. Sono stati quindi effettuati i seguenti disinvestimenti: Hercules Capital, Weibo Corp, Meta Platforms.

2. Il Fondo considera gli emittenti che si collocano nel secondo decile più basso come candidati per attività di coinvolgimento. Di conseguenza, sono state condotte le seguenti iniziative di coinvolgimento: Carnival Cruise Corp., Dish Network Corp., Taseko Mines Ltd., Owl Rock Capital Corporation, e Brasile.

B. Tracciamento degli indicatori specifici del Principal Adverse Impact (PAI) relativamente a ciascun emittente. Si rimanda ai valori indicati nella sezione "In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?"

C. Esposizione alle obbligazioni verdi, sociali e legate alla sostenibilità (GSS) all'1,18%. L'uso dei proventi delle obbligazioni è stato specificato dall'emittente (e verificato da un terzo o dal Gestore del Portafoglio), ed è andato a beneficio di progetti ambientali o sociali sottostanti quali, a titolo meramente esemplificativo:

- Riduzione delle emissioni di gas serra
- Incremento della disponibilità di prodotti nei Paesi a basso e medio reddito
- Creazione di città e comunità sostenibili finanziando trasporti puliti, energia, acqua e servizi igienici
- Iniziative in tema di diversità, equità e inclusione

… e rispetto ai periodi precedenti?

Non applicabile in quanto non vi erano periodi di riferimento precedenti.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Il Fondo ha investito almeno l'1% del proprio patrimonio netto in obbligazioni verdi e/o sociali che costituiscono investimenti sostenibili. Il Fondo ha effettuato tali investimenti solo quando l'uso fatto dei proventi delle obbligazioni era stato specificato dall'emittente (e verificato da un terzo o dal Gestore del Portafoglio), ed esso è andato a beneficio di progetti ambientali o sociali sottostanti quali, a titolo meramente esemplificativo:

- Riduzione delle emissioni di gas serra
- Incremento della disponibilità di prodotti nei Paesi a basso e medio reddito
- Creazione di città e comunità sostenibili finanziando trasporti puliti, energia, acqua e servizi igienici
- Iniziative in tema di diversità, equità e inclusione

Il Fondo non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Nel valutare il principio DNSH, il Gestore del Portafoglio si è basato su una combinazione di ricerca fondamentale interna, ricerca sell-side, notizie, PAI e dati ESG di fornitori terzi.

Il Gestore del Portafoglio ha esaminato tutte le sanzioni pubbliche segnalate attraverso le schermate messe a disposizione da un fornitore terzo, relative alle inadempienze rispetto al Global Compact delle Nazioni Unite (UNGC), oltre che le misurazioni e i KPI relativi ai PAI obbligatori sia per le società che per i soggetti sovrani. Per gli investimenti sostenibili in titoli emessi da società, il Gestore del Portafoglio ha valutato il principio DNSH a livello di emittente societario. Per gli investimenti sostenibili in titoli emessi da governi od organizzazioni sovranazionali (che non hanno una missione specifica dichiarata secondo la quale tutte le attività/progetti finanziati sono sostenibili), il Gestore del Portafoglio ha valutato il principio DNSH a livello di utilizzo dei proventi.

Il Fondo ha tenuto traccia dei PAI obbligatori per identificare le esposizioni con impatto negativo.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

I PAI obbligatori per le imprese e gli enti sovrani sono stati tracciati, misurati e oggetto di rendicontazione. Ai fini delle decisioni di investimento, il Gestore del Portafoglio ha valutato le soglie DNSH a livello fondamentale, di settore/industriale, di Paese e di portafoglio. La politica del Gestore del Portafoglio consiste nell'impegnarsi con gli emittenti, tenendo come ultima opzione quella del disinvestimento. Il Gestore del Portafoglio ha operato un disinvestimento immediato quando ha rilevato un rischio sostanziale a breve termine.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Il Gestore del Portafoglio ha tenuto traccia delle violazioni rispetto ai principi OCSE/UNGC (ricevute automaticamente da un terzo a partire da gennaio 2022) e dei fallimenti; le società che non hanno rispettato i requisiti sono state escluse dal portafoglio/universo di investimento.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I PAI obbligatori per le imprese e gli enti sovrani sono stati tracciati, misurati e oggetto di rendicontazione. Il Gestore del Portafoglio ha utilizzato anche le variazioni dei PAI e dei relativi KPI per valutare l'opportunità di miglioramento e i miglioramenti realizzati, che quindi influiranno sugli investimenti e sulla portata delle singole posizioni.

Ai fini delle decisioni di investimento, il Gestore del Portafoglio ha valutato le soglie DNSH a livello fondamentale, di settore/industriale, di Paese e di portafoglio.

I PAI obbligatori non sono stati tutti intrinsecamente inclusi nel punteggio ESG proprietario di questo Fondo. Tuttavia, il Gestore del Portafoglio ha tracciato e monitorato i PAI.

Indicatori PAI	Valore	Copertura
Emissioni di gas serra: Scope 1 USD	47 610,47	60,85%
Emissioni di gas serra: Scope 2 USD	9 505,59	60,85%
Emissioni di gas serra: Scope 3 USD	195 058,19	59,70%
Emissioni di gas serra: Totale emissioni USD	252 174,25	60,85%
Impronta di carbonio USD	353,95	60,85%
Intensità di carbonio USD	960,36	63,67%
Esposizione a società attive nel settore dei combustibili fossili.	4,57%	56,49%
Quota di consumo e produzione di energia non rinnovabile.	74,19%	26,47%
Indice di intensità energetica: Agricoltura USD	0,00	22,03%
Indice di intensità energetica: Estrazione mineraria USD	2,21	22,03%
Indice di intensità energetica: Attività manifatturiera USD	0,50	22,03%
Indice di intensità energetica: Elettricità USD	6,02	22,03%
Indice di intensità energetica: Acqua USD	0,66	22,03%
Indice di intensità energetica: Costruzioni USD	0,00	22,03%
Indice di intensità energetica: Commercio e veicoli USD	0,04	22,03%
Indice di intensità energetica: Trasporto e logistica USD	3,12	22,03%
Indice di intensità energetica: Immobiliare USD	0,00	22,03%
Attività che influiscono negativamente su aree sensibili alla biodiversità	0,00%	56,49%
Emissioni nelle acque USD	210,48	1,86%
Quota di rifiuti pericolosi USD	433,96	9,94%
Violazioni dei principi UNGC o delle linee guida OCSE	0,00%	59,25%
Assenza di processi e meccanismi di conformità per monitorare il rispetto dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'OCSE per le imprese multinazionali.	44,00%	54,74%
Divario retributivo di genere non corretto	18,47%	5,64%
Diversificazione dei sessi nel consiglio di amministrazione	29,84%	56,02%
Esposizione ad armi controverse	0,00%	56,49%
Intensità di gas serra dei paesi oggetto di investimento USD	481,49	10,54%
Paesi oggetto di investimento soggetti a violazioni sociali	0,00	10,54%

Quali sono stati i principali investimenti di questo prodotto finanziario?

I principali investimenti di questo Fondo, esclusi la liquidità e gli strumenti derivati, sono stati:

L'elenco comprende gli investimenti che costituiscono la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 2022-01-01 - 2022-12-31.

Investimenti di maggiore entità	Settore	Quota	Paese
US TREASURY N/B 2.25% 02/15/52	Titoli di Stato	1,79%	Stati Uniti
DISH NETWORK 3.375% 08/15/26	Comunicazioni	1,59%	Stati Uniti
STACR 2021-DNA2 M2 FLT 08/25/33 144A	Titoli garantiti da ipoteca (MBS)	1,44%	Stati Uniti
TPMT 2018-2 B1 VAR 03/25/58 144A	Titoli garantiti da ipoteca (MBS)	1,21%	Stati Uniti
FIRST QUANTUM 6.875% 10/15/27 144A	Materiali di base	1,17%	Canada
NEW FORTRESS 6.75% 09/15/25 144A	Energia	1,14%	Stati Uniti
WFRBS 2014-LC14 D VAR 03/15/47 144A	Titoli garantiti da ipoteca (MBS)	1,08%	Stati Uniti
MILEAGE PLUS HLD 6.5% 06/20/27 144A	Beni di consumo ciclici	1,06%	Stati Uniti
XP INC 3.25% 07/01/26 144A	Finanza	0,95%	Brasile
SPRINT SPECTRUM 5.152% 03/20/28 144A	Comunicazioni	0,95%	Stati Uniti
GRAHAM PKG CO IN 7.125% 08/15/28 144A	Industria	0,92%	Stati Uniti
CAS 2020-SBT1 2M2 FLT 02/25/40 144A	Titoli garantiti da ipoteca (MBS)	0,91%	Stati Uniti
TMIR 2021-3 M1A FLT 02/25/34 144A	Titoli garantiti da ipoteca (MBS)	0,86%	Stati Uniti
ATHENE GLOBAL FU 0.914% 08/19/24 144A	Finanza	0,85%	Stati Uniti
VALERO ENERGY 3.65% 12/01/51	Energia	0,84%	Stati Uniti

Qual è stata la quota degli investimenti in materia di sostenibilità?

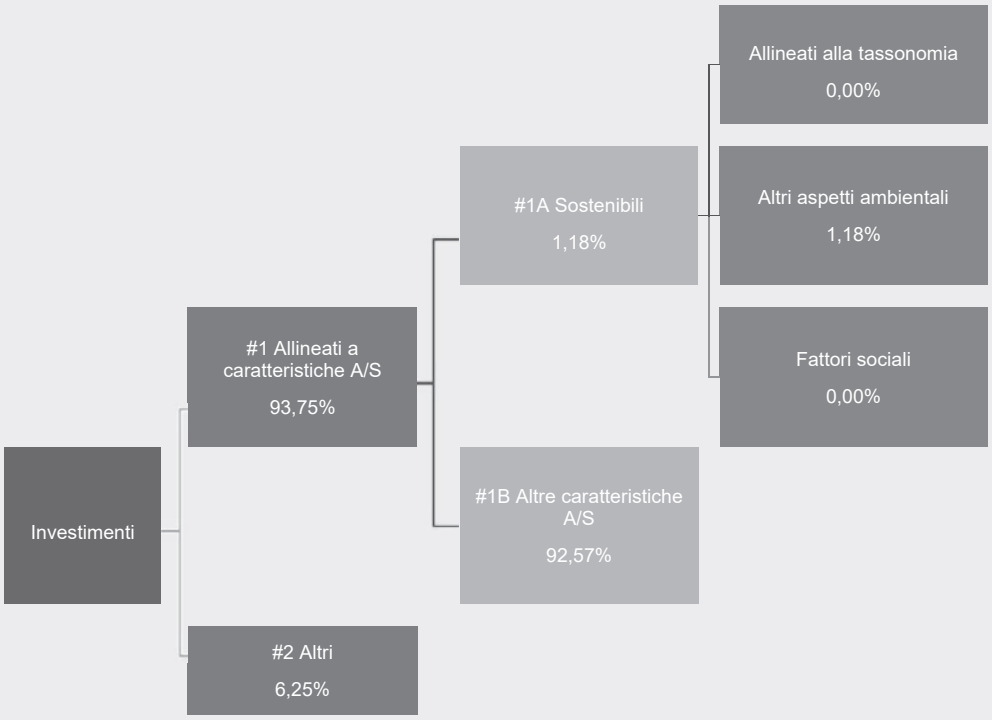
La percentuale di investimenti legati alla sostenibilità era dell'1,18%.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il 93,75% del portafoglio era allineato alle caratteristiche E/S promosse dal Fondo. La parte restante (6,25%) non era allineata con le caratteristiche promosse e consisteva principalmente in attività liquide.

Nel segmento di portafoglio del Fondo allineato alle caratteristiche ambientali e/o sociali promosse, il Fondo ha investito l'1,18% del portafoglio in investimenti sostenibili.



#1 Allineati a caratteristiche A/S: comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri: comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- La sottocategoria **# 1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale.
- La sottocategoria **# 1B Altre caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Quota
TITOLI IPOTECARI	18,79%
FINANZIARI	16,64%
TITOLI DI STATO	11,90%
COMUNICAZIONI	11,23%
BENI DI CONSUMO CICLICI	8,85%
ENERGIA	6,57%
INDUSTRIALI	6,12%
MATERIALI DI BASE	2,80%
TECNOLOGIA	2,45%
BENI DI CONSUMO NON CICLICI	1,90%
UTILITY	0,80%
DERIVATI	-0,38%

Sottosettore principale	Quota
SOVRANI	10,76%
SOCIETÀ DI INVESTIMENTO	9,12%
WL COLLAT CMO MEZZANINE	7,30%
WL COLLAT CMO SUBORDINAT	5,18%
UMBS SINGLE FAMILY 30YR	4,88%
LINEE AEREE	3,26%
ESPLORAZIONE E PRODUZIONE DI PETROLIO	2,92%
METALLO-RAME	2,54%
TELEFONIA-INTEGRATA	2,49%
CONDUTTURE	2,38%
CONTENITORI IN CARTA/PLASTICA	2,31%
TELECOMUNICAZIONI CELLULARI	1,77%
ISTITUTO BANCARIO DIVERSIFICATO	1,71%
TV VIA CAVO/SATELLITE	1,68%
AUTOVETTURE/VEICOLI COMMERCIALI LEGGERI	1,37%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare** i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Fondo non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla tassonomia dell'UE.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?[1]

☐ Sì

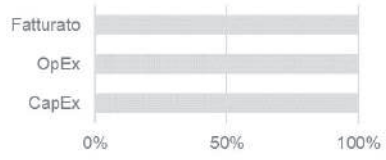
☐ In gas fossile ☐ In energia nucleare

☒ No

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

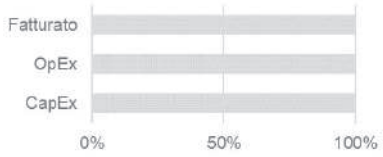
I due grafici che seguono mostrano in verde la percentuale minima di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento degli investimenti alla tassonomia **comprese le obbligazioni sovrane***



	CapEx	OpEx	Fatturato
Allineati alla tassonomia: gas fossile	0,00%	0,00%	0,00%
Allineati alla tassonomia: Nucleare	0,00%	0,00%	0,00%
Allineati alla tassonomia (né gas né nucleare)	0,00%	0,00%	0,00%
Non allineati alla tassonomia	100,00%	100,00%	100,00%

2. Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



	CapEx	OpEx	Fatturato
Allineati alla tassonomia: gas fossile	0,00%	0,00%	0,00%
Allineati alla tassonomia: Nucleare	0,00%	0,00%	0,00%
Allineati alla tassonomia (né gas né nucleare)	0,00%	0,00%	0,00%
Non allineati alla tassonomia	100,00%	100,00%	100,00%

Questo grafico rappresenta il 100,00% degli investimenti totali.

** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici («mitigazione dei cambiamenti climatici») e non arrecano un danno significativo a nessuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Il Fondo non ha investito in attività transitorie e abilitanti.

Come si rapporta la percentuale di investimenti allineati alla tassonomia dell'UE con i precedenti periodi di riferimento?

Non applicabile

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineato alla tassonomia dell'UE?

Come risultato della strategia di investimento, il Fondo non ha effettuato investimenti sostenibili con un obiettivo ambientale allineato alla Tassonomia UE e, di conseguenza, alla fine di febbraio 2023, l'1,18% del portafoglio del Fondo era composto da investimenti con un obiettivo ambientale non allineato alla tassonomia UE.

Qual era la quota di investimenti socialmente sostenibili?

Lo 0% degli investimenti del Fondo è stato effettuato in attività socialmente sostenibili.

Quali investimenti erano compresi nella categoria «#2 Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

La quota di investimenti alla voce "N. 2 Altro" era del 6,25% e comprendeva liquidità in deposito e strumenti derivati utilizzati per la copertura e i derivati per i quali non sono previste garanzie ambientali o sociali minime.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

1. Il Fondo si impegna a escludere gli emittenti che si trovano nel decile di punteggio più basso dell'universo di investimento. Sono stati quindi effettuati i seguenti disinvestimenti: Hercules Capital, Weibo Corp, Meta Platforms.

2. Il Fondo considera gli emittenti che si collocano nel secondo decile più basso come candidati per attività di coinvolgimento. Di conseguenza, sono state condotte le seguenti iniziative di coinvolgimento: Carnival Cruise Corp., Dish Network Corp., Taseko Mines Ltd., Owl Rock Capital Corporation, e Brasile

3. Fino all'80% degli investimenti è stato monitorato per verificare il peggioramento e/o il miglioramento dei fattori ambientali e sociali.

4. Il Fondo ha investito oltre l'1% del proprio patrimonio netto in investimenti sostenibili con obiettivi ambientali/sociali, come sopra illustrato.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Non applicabile

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: _____%

☒ No

☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, ha avuto una quota del(lo) ____ % di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ con un obiettivo sociale

☒ Ha promosso caratteristiche A/S, ma **non effettuerà alcun investimento sostenibile**

Gli indicatori di sostenibilità misurano in che modo sono raggiunti gli obiettivi sostenibili di questo prodotto finanziario.



In che misura le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario sono state conseguite?

Il Comparto non persegue obiettivi o risultati specifici di natura ambientale o sociale. Nonostante non miri a realizzare un obiettivo ambientale o sociale sostenibile, il Comparto si propone di promuovere prassi ambientali e/o sociali e/o di governance integrando nel suo processo di investimento considerazioni sui rischi di sostenibilità al fine di contribuire a ridurre le esternalità ambientali e di altro genere avverse associate all'economia globale.

Applicando requisiti ambientali, sociali e di governance minimi e soglie di investimento basate su fattori di sostenibilità, il Gestore ritiene di poter indurre le società e gli emittenti ad adottare prassi aziendali più sostenibili generando, alla fine, un cambiamento ambientale e sociale positivo. Tuttavia, al momento non è possibile valutare se queste soglie e questi requisiti minimi stiano promuovendo un cambiamento significativo. È evidente che la maggior parte degli indicatori che segnalano un cambiamento ambientale negativo continua a peggiorare e che l'economia globale è largamente incapace di far fronte ai danni ambientali o di porvi rimedio. Pertanto, il Gestore ritiene che l'adozione e l'integrazione di politiche significative di screening, esclusione, restrizione ed engagement continueranno necessariamente a essere parte integrante dei processi di investimento del Comparto.

- *Qual è stata la performance degli indicatori di sostenibilità?*

Nell'informativa precontrattuale del Comparto conforme alle disposizioni dell'SFDR non sono stati individuati indicatori di sostenibilità specifici relativi al periodo coperto dal presente rapporto. Ciò nonostante, il Gestore ritiene che i dati sotto riportati possano essere molto utili per valutare il profilo ambientale e sociale complessivo del Comparto.

Vaglio e classificazione ESG

Il Gestore utilizza la metodologia di valutazione della materialità industriale ESG/CAR di Lombard Odier ("LO ESG/CAR Rating Materialità") per classificare ogni società in cui investe il Comparto, impiegando una scala di rating compresa tra A+ e D (dove A+ rappresenta la valutazione migliore).

La tabella che segue mostra il rating del portafoglio societario del Comparto in base alla metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità grado	B+	B

La tabella che segue mostra la ripartizione in percentuale del portafoglio societario del Comparto in ciascun segmento di rating principale della metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità distribuzione		
A	56%	62%
B	18%	23%
C	6%	6%
D	0%	1%

* Bloomberg Barclays Global Aggregate Corporates 500MM TR: l'indice di confronto della performance non intende essere un indice di riferimento per conseguire le caratteristiche ambientali o sociali promosse dal Comparto. È l'indice individuato nella sezione Obiettivo e politica di investimento del prospetto del Comparto per consentire confronti di performance e/o per monitorare internamente il rischio.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Indicatori dei principali effetti negativi ("PEN")

La metodologia LO ESG/CAR Rating Materialità comprende dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi per la sostenibilità stabiliti dall'SFDR.

Le informazioni che seguono sono fornite con riferimento al portafoglio del Comparto per i PEN suindicati e per il periodo coperto dal presente rapporto:

PEN	Unità	Valore
Tabella I – Emissioni di gas serra (GHG)		
1 – GHG Emissioni – (Emissioni totali, ambito 1, 2 e 3)	tCO2eq	22 730
2 – Impronta di carbonio – (ambito 1, 2 e 3)	tCO2e / Mio. EUR investito	333
4 – Esposizione a società attive nel settore dei combustibili fossili	% del portafoglio	5.8%
Tabella I – Questioni sociali e dipendenti		
10 – Violazione del PGNU (Patto Globale delle Nazioni Unite)	% del portafoglio	4.3%
11 – Mancanza di monitor PGNU	% del portafoglio	0.5%
14 – Esposizione ad armi controverse	% del portafoglio	0.0%
Tabella II – Emissioni		
4 – Investimenti in società senza iniziative di riduzione delle emissioni di carbonio	% del portafoglio	17.1%
Tabella III – Diritti umani		
12 – Incidenti di lavoro minorile	% del portafoglio	0.2%

Si fa rilevare che la disponibilità e la qualità dei dati dei PEN si modificano rapidamente. Le informazioni sopra riportate si basano su dati che provengono direttamente dalle aziende, da fornitori terzi di dati e da modelli o stime del Gestore. I valori futuri potrebbero essere sensibilmente diversi non solo perché varia la composizione del portafoglio del Comparto o l'attività svolta dalle aziende o dagli emittenti in cui il Comparto ha investito, ma anche perché si modificano la disponibilità e la qualità dei dati che dovrebbero migliorare sensibilmente nei prossimi anni.

- *E rispetto ai periodi precedenti?*

  N/A – Questo è il primo periodo.

- *Quali sono stati gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  Gli investimenti sostenibili erano in linea con le Direttive OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

Il Gestore utilizza la metodologia LO ESG/CAR Rating Materialità per analizzare e classificare le società in cui investe il Comparto. Tale metodologia impiega più di 150 dati di sostenibilità compresi, ove disponibili, i dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi ("PEN").

Inoltre, il Gestore considera i "PEN" uno strumento per comprendere la performance ambientale e sociale del portafoglio del Comparto rispetto a criteri di sostenibilità oggettivamente valutabili e applicati in tutta l'Unione Europea. Oltre che per la metodologia LO ESG/CAR Rating Materialità, l'esame dei PEN è utilizzato soprattutto per comprendere, ex post, l'andamento generale del Comparto in materia di sostenibilità. Inoltre, la considerazione dei PEN più rilevanti può incidere sulle decisioni di investimento (soprattutto se i PEN dimostrano che un investimento potrebbe arrecare danni significativi). Va osservato che non tutti i PEN possono avere rilevanza per tutti gli investimenti o lo stesso peso. Inoltre, l'esame dei PEN rappresenta solo una parte della valutazione più ampia eseguita dal Gestore sui fattori di sostenibilità che incidono sul Comparto.

Quali sono stati i maggiori investimenti effettuati da questo prodotto finanziario?

L'elenco comprende investimenti che costituiscono le maggiori esposizioni assunte dal prodotto finanziario durante il periodo di riferimento che è al settembre 2022.

Maggiori posizioni	Settore	% del patrimonio	Paese
MARKIT CDX.NA.IG S38V1 DEFAULT ↔ 1% USD SWAP 2032-06-20	N/A	4.81	N/A
MARKIT ITRAXX EUROPE S37V1 DEFAULT ↔ 1% EUR SWAP 2032-06-20	N/A	4.79	N/A
LO FLLN ANG RECVRY-SHSAUSDA	Finanza	3.25	Lussemburgo
MARKIT CDX.NA.IG S37V1 DEFAULT ↔ 1% USD SWAP 2031-12-20	N/A	2.94	N/A
MARKIT ITRAXX EUROPE S36V1 DEFAULT ↔ 1% EUR SWAP 2031-12-20	N/A	2.64	N/A
US 30YR 6.00% FUTURES 09/2022	Sovrano	2.39	Stati Uniti
US 30YR 6.00% FUTURES 03/2022	Sovrano	2.16	Stati Uniti
US 30YR 6.00% FUTURES 06/2022	Sovrano	1.99	Stati Uniti
POUND STERLING	N/A	1.82	N/A
US DOLLAR	N/A	1.65	N/A
US 30YR 6.00% FUTURES 12/2022	Sovrano	1.56	Stati Uniti
MARKIT ITRAXX EUROPE S36V1 DEFAULT ↔ 1% EUR SWAP 2026-12-20	N/A	1.53	N/A
LO FDS-TNZ GL IG CO-SHSAUSDA	Finanza	1.26	Lussemburgo
MARKIT ITRAXX EUROPE S38V1 DEFAULT ↔ 1% EUR SWAP 2032-12-20	N/A	0.94	N/A
US 10YR 6% FUTURES 03/2022	Sovrano	0.94	Stati Uniti

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata la percentuale di investimenti legati alla sostenibilità?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata l'allocazione degli attivi?*

  Al 30 settembre 2022:

  86% del patrimonio del Comparto è stato allocato a investimenti #1 Allineati con caratteristiche A/S
  14% del patrimonio del Comparto è stato allocato a investimenti #2 Altri



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- fatturato: grado attuale di "ecosostenibilità" delle imprese beneficiarie degli investimenti;
- spese in conto capitale (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, rilevanti per la transizione verso un'economia verde;
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

- *In quali settori economici sono stati effettuati gli investimenti?*

Al 30 settembre 2022, il Comparto era investito nei seguenti settori economici:

Energia	2.0%
Perforazioni di petrolio e gas	0.3%
Apparecchiature e servizi per l'industria del petrolio e del gas	0.3%
Società integrate di petrolio e gas	0.1%
Esplorazione e produzione di petrolio e gas	-
Raffinazione e commercializzazione di petrolio e gas	0.3%
Stoccaggio e trasporto di petrolio e gas	1.0%
Carbone e combustibili	-
Materiali	6.2%
Prodotti chimici	1.9%
Materiali per l'edilizia	0.2%
Container e imballaggi	1.0%
Metalli e minerali	2.3%
Carta e prodotti forestali	0.8%
Beni industriali	5.6%
Beni di investimento	2.6%
Servizi commerciali e professionali	1.7%
Trasporti	1.3%
Beni voluttuari	8.7%
Beni di consumo primari	2.0%
Sanità	3.9%
Finanza	44.9%
Tecnologie dell'informazione	5.0%
Servizi di comunicazione	7.1%
Servizi di pubblica utilità	4.7%
Aziende elettriche	3.3%
Aziende di erogazione di gas	0.3%
Aziende multiservizi	0.6%
Aziende idriche	-
Produttori indipendenti di energia e di elettricità da fonti rinnovabili	0.4%
Immobiliare	5.4%

Il Gestore ha utilizzato i settori individuati dai Global Industry Classification Standard (GICS) nella tabella che precede. La tabella individua sottosettori/settori GICS che, secondo il Gestore, consentiranno un'analisi più granulare della dimensione ambientale/sociale degli investimenti del Comparto.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

- *Qual è stata la quota di investimenti in attività di transizione e abilitanti?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata la percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Qual è stata la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Qual è stata la quota di investimenti socialmente sostenibili?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti classificati come "#2 Altri" possono comprendere, senza limitarvisi, investimenti in società/emittenti con bassi punteggi secondo la metodologia LO ESG/CAR Rating Materialità e che il Gestore ha incluso nel portafoglio del Comparto anche a scopo di diversificazione, per riflettere l'esposizione agli indici di riferimento tradizionali o al mercato più ampio oppure nel caso in cui l'universo del Comparto è già soggetto a restrizioni. "#2 Altri" comprende anche investimenti in società non coperte dalla metodologia LO ESG/CAR Rating Materialità e le Disponibilità liquide ed equivalenti.

Quali misure sono state poste in essere per conseguire le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore ha svolto attività di engagement in linea con il proprio sistema aziendale di stewardship, che è guidato e ispirato dalla sua visione sulla sostenibilità e dal suo impegno in tale ambito. Ad oggi, le attività di engagement puntano a (i) incoraggiare l'allineamento delle aziende a percorsi sostenibili di transizione (ii) promuovere pratiche aziendali best-in-class e (iii) ad affrontare i casi di controversie gravi. La ricerca legata alle attività di engagement individua le debolezze, la mancanza di allineamento o l'esigenza di cambiamento e le traduce in obiettivi di impegno misurabili che consentono al Gestore di monitorarne i progressi nel tempo. Gli obiettivi di fondo delle attività di engagement del Gestore sono cercare di comprendere meglio le specificità di un'azienda (il che potrebbe incidere sul rating calcolato con la metodologia LO ESG/CAR Rating Materialità descritta in precedenza), migliorare le informative disponibili al pubblico e promuovere il cambiamento in generale in materia di sostenibilità, corporate governance e tematiche sociali.

Il Gestore definisce un "engagement" come la somma di tutte le interazioni che ha con un'azienda su una tematica rilevante specifica. Ciò vuol dire che il coinvolgimento di una società può essere molto articolato se il Gestore si confronta più volte con il management su tematiche rilevanti diverse. Il Gestore definisce "interazione" il confronto che ha con un'azienda in un breve arco di tempo. Un'interazione può assumere la forma di un'e-mail, di una chiamata/videochiamata, di un incontro faccia a faccia o, in taluni casi, di un impegno collaborativo. Il Gestore raccoglie dati su ogni singola interazione; in particolare, dopo ogni interazione raccoglie dati quantitativi e qualitativi registrandoli in una nota standardizzata di stewardship. Ogni valutazione di stewardship comprende fino a venti diversi campi di dati. Un engagement viene chiuso quando il Gestore ha raggiunto gli obiettivi o se la società non risponde alle sollecitazioni.

Nel periodo 1° ottobre 2021-30 settembre 2022, il Gestore ha effettuato le seguenti interazioni e attività di engagement su tutti i portafogli da esso gestiti e non solo sugli investimenti detenuti per conto del Comparto.

Numero di società con almeno un'interazione nel periodo in esame	171
Numero di engagement con almeno un'interazione nel periodo in esame	184
Numero di interazioni nel periodo in esame	264
Numero di società coinvolte in un processo di engagement attivo alla fine del periodo in esame	181

	Numero di engagement su questa tematica	% di engagement su questa tematica
Corporate governance	23	13%
Zero netto/OMP	42	23%
Ambiente	1	1%
Comunicazioni ESG/TCFD	67	36%
Natural Capital	21	11%
Controversie	13	7%
ESG/prassi aziendali	5	3%
ESG generale	7	4%
Società	5	3%

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.



Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?

N/A – Non è stato scelto alcun indice di riferimento.

- *In che modo l'indice di riferimento differisce da un indice generale di mercato?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario relativamente agli indicatori di sostenibilità per stabilire l'allineamento dell'indice di riferimento alle caratteristiche ambientali o sociali promosse?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice generale di mercato?*

  N/A

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: _____%

☒ No

☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, ha avuto una quota del(lo) ____ % di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ con un obiettivo sociale

☒ Ha promosso caratteristiche A/S, ma **non effettuerà alcun investimento sostenibile**

Gli indicatori di sostenibilità misurano in che modo sono raggiunti gli obiettivi sostenibili di questo prodotto finanziario.



In che misura le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario sono state conseguite?

Il Comparto non persegue obiettivi o risultati specifici di natura ambientale o sociale. Nonostante non miri a realizzare un obiettivo ambientale o sociale sostenibile, il Comparto si propone di promuovere prassi ambientali e/o sociali e/o di governance integrando nel suo processo di investimento considerazioni sui rischi di sostenibilità al fine di contribuire a ridurre le esternalità ambientali e di altro genere avverse associate all'economia globale.

Applicando requisiti ambientali, sociali e di governance minimi e soglie di investimento basate su fattori di sostenibilità, il Gestore ritiene di poter indurre le società e gli emittenti ad adottare prassi aziendali più sostenibili generando, alla fine, un cambiamento ambientale e sociale positivo. Tuttavia, al momento non è possibile valutare se queste soglie e questi requisiti minimi stiano promuovendo un cambiamento significativo. È evidente che la maggior parte degli indicatori che segnalano un cambiamento ambientale negativo continua a peggiorare e che l'economia globale è largamente incapace di far fronte ai danni ambientali o di porvi rimedio. Pertanto, il Gestore ritiene che l'adozione e l'integrazione di politiche significative di screening, esclusione, restrizione ed engagement continueranno necessariamente a essere parte integrante dei processi di investimento del Comparto.

- *Qual è stata la performance degli indicatori di sostenibilità?*

Nell'informativa precontrattuale del Comparto conforme alle disposizioni dell'SFDR non sono stati individuati indicatori di sostenibilità specifici relativi al periodo coperto dal presente rapporto. Ciò nonostante, il Gestore ritiene che i dati sotto riportati possano essere molto utili per valutare il profilo ambientale e sociale complessivo del Comparto.

Vaglio e classificazione ESG

Il Gestore utilizza la metodologia di valutazione della materialità industriale ESG/CAR di Lombard Odier ("LO ESG/CAR Rating Materialità") per classificare ogni società in cui investe il Comparto, impiegando una scala di rating compresa tra A+ e D (dove A+ rappresenta la valutazione migliore).

La tabella che segue mostra il rating del portafoglio societario del Comparto in base alla metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità grado	B-	B-

La tabella che segue mostra la ripartizione in percentuale del portafoglio societario del Comparto in ciascun segmento di rating principale della metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità distribuzione		
A	46%	48%
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C	19%	19%
D	2%	3%

* Refinitiv Global Convertible Composite Hedged TR: l'indice di confronto della performance non intende essere un indice di riferimento per conseguire le caratteristiche ambientali o sociali promosse dal Comparto. È l'indice individuato nella sezione Obiettivo e politica di investimento del prospetto del Comparto per consentire confronti di performance e/o per monitorare internamente il rischio.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Indicatori dei principali effetti negativi ("PEN")

La metodologia LO ESG/CAR Rating Materialità comprende dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi per la sostenibilità stabiliti dall'SFDR.

Le informazioni che seguono sono fornite con riferimento al portafoglio del Comparto per i PEN suindicati e per il periodo coperto dal presente rapporto:

PEN	Unità	Valore
Tabella I – Emissioni di gas serra (GHG)		
1 – GHG Emissioni – (Emissioni totali, ambito 1, 2 e 3)	tCO2eq	972 755
2 – Impronta di carbonio – (ambito 1, 2 e 3)	tCO2e / Mio. EUR investito	675
4 – Esposizione a società attive nel settore dei combustibili fossili	% del portafoglio	9.1%
Tabella I – Questioni sociali e dipendenti		
10 – Violazione del PGNU (Patto Globale delle Nazioni Unite)	% del portafoglio	2.8%
11 – Mancanza di monitor PGNU	% del portafoglio	2.0%
14 – Esposizione ad armi controverse	% del portafoglio	0.0%
Tabella III – Diritti umani		
12 – Incidenti di lavoro minorile	% del portafoglio	0.3%

Si fa rilevare che la disponibilità e la qualità dei dati dei PEN si modificano rapidamente. Le informazioni sopra riportate si basano su dati che provengono direttamente dalle aziende, da fornitori terzi di dati e da modelli o stime del Gestore. I valori futuri potrebbero essere sensibilmente diversi non solo perché varia la composizione del portafoglio del Comparto o l'attività svolta dalle aziende o dagli emittenti in cui il Comparto ha investito, ma anche perché si modificano la disponibilità e la qualità dei dati che dovrebbero migliorare sensibilmente nei prossimi anni.

- *E rispetto ai periodi precedenti?*

  N/A – Questo è il primo periodo.

- *Quali sono stati gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  Gli investimenti sostenibili erano in linea con le Direttive OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

Il Gestore utilizza la metodologia LO ESG/CAR Rating Materialità per analizzare e classificare le società in cui investe il Comparto. Tale metodologia impiega più di 150 dati di sostenibilità compresi, ove disponibili, i dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi ("PEN").

Inoltre, il Gestore considera i "PEN" uno strumento per comprendere la performance ambientale e sociale del portafoglio del Comparto rispetto a criteri di sostenibilità oggettivamente valutabili e applicati in tutta l'Unione Europea. Oltre che per la metodologia LO ESG/CAR Rating Materialità, l'esame dei PEN è utilizzato soprattutto per comprendere, ex post, l'andamento generale del Comparto in materia di sostenibilità. Inoltre, la considerazione dei PEN più rilevanti può incidere sulle decisioni di investimento (soprattutto se i PEN dimostrano che un investimento potrebbe arrecare danni significativi). Va osservato che non tutti i PEN possono avere rilevanza per tutti gli investimenti o lo stesso peso. Inoltre, l'esame dei PEN rappresenta solo una parte della valutazione più ampia eseguita dal Gestore sui fattori di sostenibilità che incidono sul Comparto.

Quali sono stati i maggiori investimenti effettuati da questo prodotto finanziario?

L'elenco comprende investimenti che costituiscono le maggiori esposizioni assunte dal prodotto finanziario durante il periodo di riferimento che è al settembre 2022.

Maggiori posizioni	Settore	% del patrimonio	Paese
FORWARD 1 USD ↔ 0.86044 EUR 07/01/2022	N/A	13.93	N/A
FORWARD 1 USD ↔ 0.90935 EUR 14/06/2022	N/A	12.22	N/A
FORWARD 1 USD ↔ 0.9926 EUR 09/11/2022	N/A	11.71	N/A
FORWARD 1 USD ↔ 0.88244 EUR 16/03/2022	N/A	10.44	N/A
FORWARD 1 USD ↔ 0.93898 EUR 01/09/2022	N/A	9.75	N/A
GLENCORE EQUITY OPTION 2024-04-19 C479.0	Materiali	3.98	Jersey
AMERICA MOVIL B.V. 0% EUR 03/2024	Finanza	3.01	Paesi Bassi
LVMH EQUITY OPTION 2023-12-15 C730.0	Beni voluttuari	2.18	Francia
ELECTRICITE DE FRANCE SA 0% EUR 09/2024	Servizi di pubblica utilità	2.17	Francia
STMICROELECTRONICS N.V. 0% USD 08/2027	Tecnologie dell'informazione	2.04	Paesi Bassi
SIEMENS EQUITY OPTION 2023-12-15 C141.0	Beni industriali	1.85	Germania
FORWARD 1 JPY ↔ 0.00772 EUR 14/06/2022	N/A	1.72	N/A
AKAMAI TECHNOLOGIES, INC. 0.38% USD 09/2027	Tecnologie dell'informazione	1.69	Stati Uniti
FORWARD 1 JPY ↔ 0.00753 EUR 07/01/2022	N/A	1.51	N/A
SINGAPORE AIRLINES LIMITED 1.62% SGD 12/2025	Beni industriali	1.42	Singapore

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata la percentuale di investimenti legati alla sostenibilità?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata l'allocazione degli attivi?*

  Al 30 settembre 2022:

  77% del patrimonio del Comparto è stato allocato a investimenti #1 Allineati con caratteristiche A/S
  23% del patrimonio del Comparto è stato allocato a investimenti #2 Altri



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- fatturato: grado attuale di "ecosostenibilità" delle imprese beneficiarie degli investimenti;
- spese in conto capitale (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, rilevanti per la transizione verso un'economia verde;
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

- *In quali settori economici sono stati effettuati gli investimenti?*

Al 30 settembre 2022, il Comparto era investito nei seguenti settori economici:

Energia	-
Perforazioni di petrolio e gas	-
Apparecchiature e servizi per l'industria del petrolio e del gas	-
Società integrate di petrolio e gas	-
Esplorazione e produzione di petrolio e gas	-
Raffinazione e commercializzazione di petrolio e gas	-
Stoccaggio e trasporto di petrolio e gas	-
Carbone e combustibili	-
Materiali	4.2%
Prodotti chimici	-
Materiali per l'edilizia	-
Container e imballaggi	-
Metalli e minerali	4.2%
Carta e prodotti forestali	-
Beni industriali	13.4%
Beni di investimento	6.7%
Servizi commerciali e professionali	1.0%
Trasporti	5.7%
Beni voluttuari	15.6%
Beni di consumo primari	0.6%
Sanità	7.8%
Finanza	15.3%
Tecnologie dell'informazione	24.2%
Servizi di comunicazione	6.9%
Servizi di pubblica utilità	8.2%
Aziende elettriche	6.2%
Aziende di erogazione di gas	-
Aziende multiservizi	0.6%
Aziende idriche	-
Produttori indipendenti di energia e di elettricità da fonti rinnovabili	1.4%
Immobiliare	0.9%

Il Gestore ha utilizzato i settori individuati dai Global Industry Classification Standard (GICS) nella tabella che precede. La tabella individua sottosettori/settori GICS che, secondo il Gestore, consentiranno un'analisi più granulare della dimensione ambientale/sociale degli investimenti del Comparto.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

- *Qual è stata la quota di investimenti in attività di transizione e abilitanti?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata la percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.



Qual è stata la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.



Qual è stata la quota di investimenti socialmente sostenibili?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti classificati come "#2 Altri" possono comprendere, senza limitarvisi, investimenti in società/emittenti con bassi punteggi secondo la metodologia LO ESG/CAR Rating Materialità e che il Gestore ha incluso nel portafoglio del Comparto anche a scopo di diversificazione, per riflettere l'esposizione agli indici di riferimento tradizionali o al mercato più ampio oppure nel caso in cui l'universo del Comparto è già soggetto a restrizioni. "#2 Altri" comprende anche investimenti in società non coperte dalla metodologia LO ESG/CAR Rating Materialità e le Disponibilità liquide ed equivalenti.



Quali misure sono state poste in essere per conseguire le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore ha svolto attività di engagement in linea con il proprio sistema aziendale di stewardship, che è guidato e ispirato dalla sua visione sulla sostenibilità e dal suo impegno in tale ambito. Ad oggi, le attività di engagement puntano a (i) incoraggiare l'allineamento delle aziende a percorsi sostenibili di transizione (ii) promuovere pratiche aziendali best-in-class e (iii) ad affrontare i casi di controversie gravi. La ricerca legata alle attività di engagement individua le debolezze, la mancanza di allineamento o l'esigenza di cambiamento e le traduce in obiettivi di impegno misurabili che consentono al Gestore di monitorarne i progressi nel tempo. Gli obiettivi di fondo delle attività di engagement del Gestore sono cercare di comprendere meglio le specificità di un'azienda (il che potrebbe incidere sul rating calcolato con la metodologia LO ESG/CAR Rating Materialità descritta in precedenza), migliorare le informative disponibili al pubblico e promuovere il cambiamento in generale in materia di sostenibilità, corporate governance e tematiche sociali.

Il Gestore definisce un "engagement" come la somma di tutte le interazioni che ha con un'azienda su una tematica rilevante specifica. Ciò vuol dire che il coinvolgimento di una società può essere molto articolato se il Gestore si confronta più volte con il management su tematiche rilevanti diverse. Il Gestore definisce "interazione" il confronto che ha con un'azienda in un breve arco di tempo. Un'interazione può assumere la forma di un'e-mail, di una chiamata/videochiamata, di un incontro faccia a faccia o, in taluni casi, di un impegno collaborativo. Il Gestore raccoglie dati su ogni singola interazione; in particolare, dopo ogni interazione raccoglie dati quantitativi e qualitativi registrandoli in una nota standardizzata di stewardship. Ogni valutazione di stewardship comprende fino a venti diversi campi di dati. Un engagement viene chiuso quando il Gestore ha raggiunto gli obiettivi o se la società non risponde alle sollecitazioni.

Nel periodo 1° ottobre 2021-30 settembre 2022, il Gestore ha effettuato le seguenti interazioni e attività di engagement su tutti i portafogli da esso gestiti e non solo sugli investimenti detenuti per conto del Comparto.

Numero di società con almeno un'interazione nel periodo in esame	171
Numero di engagement con almeno un'interazione nel periodo in esame	184
Numero di interazioni nel periodo in esame	264
Numero di società coinvolte in un processo di engagement attivo alla fine del periodo in esame	181

	Numero di engagement su questa tematica	% di engagement su questa tematica
Corporate governance	23	13%
Zero netto/OMP	42	23%
Ambiente	1	1%
Comunicazioni ESG/TCFD	67	36%
Natural Capital	21	11%
Controversie	13	7%
ESG/prassi aziendali	5	3%
ESG generale	7	4%
Società	5	3%

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.



Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?

N/A – Non è stato scelto alcun indice di riferimento.

- *In che modo l'indice di riferimento differisce da un indice generale di mercato?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario relativamente agli indicatori di sostenibilità per stabilire l'allineamento dell'indice di riferimento alle caratteristiche ambientali o sociali promosse?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice generale di mercato?*

  N/A

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti rispetti prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Si	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ____%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, ha avuto una quota del(lo) ____ % di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: _____%	☒ Ha promosso caratteristiche A/S, ma **non effettuerà alcun investimento sostenibile**

Gli indicatori di sostenibilità misurano in che modo sono raggiunti gli obiettivi sostenibili di questo prodotto finanziario.

In che misura le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario sono state conseguite?

Il Comparto non persegue obiettivi o risultati specifici di natura ambientale o sociale. Nonostante non miri a realizzare un obiettivo ambientale o sociale sostenibile, il Comparto si propone di promuovere prassi ambientali e/o sociali e/o di governance integrando nel suo processo di investimento considerazioni sui rischi di sostenibilità al fine di contribuire a ridurre le esternalità ambientali e di altro genere avverse associate all'economia globale.

Applicando requisiti ambientali, sociali e di governance minimi e soglie di investimento basate su fattori di sostenibilità, il Gestore ritiene di poter indurre le società e gli emittenti ad adottare prassi aziendali più sostenibili generando, alla fine, un cambiamento ambientale e sociale positivo. Tuttavia, al momento non è possibile valutare se queste soglie e questi requisiti minimi stiano promuovendo un cambiamento significativo. È evidente che la maggior parte degli indicatori che segnalano un cambiamento ambientale negativo continua a peggiorare e che l'economia globale è largamente incapace di far fronte ai danni ambientali o di porvi rimedio. Pertanto, il Gestore ritiene che l'adozione e l'integrazione di politiche significative di screening, esclusione, restrizione ed engagement continueranno necessariamente a essere parte integrante dei processi di investimento del Comparto.

- *Qual è stata la performance degli indicatori di sostenibilità?*

Nell'informativa precontrattuale del Comparto conforme alle disposizioni dell'SFDR non sono stati individuati indicatori di sostenibilità specifici relativi al periodo coperto dal presente rapporto. Ciò nonostante, il Gestore ritiene che i dati sotto riportati possano essere molto utili per valutare il profilo ambientale e sociale complessivo del Comparto.

Vaglio e classificazione ESG

Il Gestore utilizza la metodologia di valutazione della materialità industriale ESG/CAR di Lombard Odier ("LO ESG/CAR Rating Materialità") per classificare ogni società in cui investe il Comparto, impiegando una scala di rating compresa tra A+ e D (dove A+ rappresenta la valutazione migliore).

La tabella che segue mostra il rating del portafoglio societario del Comparto in base alla metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità grado	C+	B

La tabella che segue mostra la ripartizione in percentuale del portafoglio societario del Comparto in ciascun segmento di rating principale della metodologia LO ESG/CAR Rating Materialità al 30 settembre 2022:

Lombard Odier ESG/CAR Rating Industriale Materialità	Comparto	Performance confronto indice*
ESG Materialità distribuzione		
A	42%	64%
B	29%	28%
C	24%	7%
D	2%	0%

* MSCI World TR ND: l'indice di confronto della performance non intende essere un indice di riferimento per conseguire le caratteristiche ambientali o sociali promosse dal Comparto. È l'indice individuato nella sezione Obiettivo e politica di investimento del prospetto del Comparto per consentire confronti di performance e/o per monitorare internamente il rischio.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Indicatori dei principali effetti negativi ("PEN")

La metodologia LO ESG/CAR Rating Materialità comprende dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi per la sostenibilità stabiliti dall'SFDR.

Le informazioni che seguono sono fornite con riferimento al portafoglio del Comparto per i PEN suindicati e per il periodo coperto dal presente rapporto:

PEN	Unità	Valore
Tabella I – Emissioni di gas serra (GHG)		
4 – Esposizione a società attive nel settore dei combustibili fossili	% del portafoglio	0.0%
Tabella I – Questioni sociali e dipendenti		
10 – Violazione del PGNU (Patto Globale delle Nazioni Unite)	% del portafoglio	2.1%
11 – Mancanza di monitor PGNU	% del portafoglio	3.0%
14 – Esposizione ad armi controverse	% del portafoglio	0.0%
Tabella III – Diritti umani		
12 – Incidenti di lavoro minorile	% del portafoglio	1.0%

Si fa rilevare che la disponibilità e la qualità dei dati dei PEN si modificano rapidamente. Le informazioni sopra riportate si basano su dati che provengono direttamente dalle aziende, da fornitori terzi di dati e da modelli o stime del Gestore. I valori futuri potrebbero essere sensibilmente diversi non solo perché varia la composizione del portafoglio del Comparto o l'attività svolta dalle aziende o dagli emittenti in cui il Comparto ha investito, ma anche perché si modificano la disponibilità e la qualità dei dati che dovrebbero migliorare sensibilmente nei prossimi anni.

- *E rispetto ai periodi precedenti?*

  N/A – Questo è il primo periodo.

- *Quali sono stati gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

  Gli investimenti sostenibili erano in linea con le Direttive OCSE per le imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione Europea per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

Il Gestore utilizza la metodologia LO ESG/CAR Rating Materialità per analizzare e classificare le società in cui investe il Comparto. Tale metodologia impiega più di 150 dati di sostenibilità compresi, ove disponibili, i dati mappati rispetto ai temi individuati dagli indicatori dei principali effetti negativi ("PEN").

Inoltre, il Gestore considera i "PEN" uno strumento per comprendere la performance ambientale e sociale del portafoglio del Comparto rispetto a criteri di sostenibilità oggettivamente valutabili e applicati in tutta l'Unione Europea. Oltre che per la metodologia LO ESG/CAR Rating Materialità, l'esame dei PEN è utilizzato soprattutto per comprendere, ex post, l'andamento generale del Comparto in materia di sostenibilità. Inoltre, la considerazione dei PEN più rilevanti può incidere sulle decisioni di investimento (soprattutto se i PEN dimostrano che un investimento potrebbe arrecare danni significativi). Va osservato che non tutti i PEN possono avere rilevanza per tutti gli investimenti o lo stesso peso. Inoltre, l'esame dei PEN rappresenta solo una parte della valutazione più ampia eseguita dal Gestore sui fattori di sostenibilità che incidono sul Comparto.

Quali sono stati i maggiori investimenti effettuati da questo prodotto finanziario?

L'elenco comprende investimenti che costituiscono le maggiori esposizioni assunte dal prodotto finanziario durante il periodo di riferimento che è al settembre 2022.

Maggiori posizioni	Settore	% del patrimonio	Paese
THERMO FISHER SCIENTIFIC	Sanità	2.93	Stati Uniti
IQVIA HOLDINGS	Sanità	2.90	Stati Uniti
SERVICE INTL.	Beni voluttuari	2.83	Stati Uniti
MEDIFAST	Beni di consumo primari	2.78	Stati Uniti
AMERIPRISE FINL.	Finanza	2.57	Stati Uniti
UNITEDHEALTH GROUP	Sanità	2.52	Stati Uniti
US DOLLAR	N/A	2.43	N/A
ABBVIE	Sanità	2.40	Stati Uniti
CI FINANCIAL	Finanza	2.35	Canada
AMUNDI	Finanza	2.32	Francia
BRUNSWICK	Beni voluttuari	2.31	Stati Uniti
LHC GROUP	Sanità	2.31	Stati Uniti
LABORATORY CORP. OF AM. HDG.	Sanità	2.28	Stati Uniti
HOLOGIC	Sanità	2.24	Stati Uniti
CVS HEALTH	Sanità	2.18	Stati Uniti

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata la percentuale di investimenti legati alla sostenibilità?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata l'allocazione degli attivi?*

  Al 30 settembre 2022:

  71% del patrimonio del Comparto è stato allocato a investimenti #1 Allineati con caratteristiche A/S
  29% del patrimonio del Comparto è stato allocato a investimenti #2 Altri



#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- fatturato: grado attuale di "ecosostenibilità" delle imprese beneficiarie degli investimenti;
- spese in conto capitale (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, rilevanti per la transizione verso un'economia verde;
- spese operative (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

- *In quali settori economici sono stati effettuati gli investimenti?*

Al 30 settembre 2022, il Comparto era investito nei seguenti settori economici:

Energia	-
Perforazioni di petrolio e gas	-
Apparecchiature e servizi per l'industria del petrolio e del gas	-
Società integrate di petrolio e gas	-
Esplorazione e produzione di petrolio e gas	-
Raffinazione e commercializzazione di petrolio e gas	-
Stoccaggio e trasporto di petrolio e gas	-
Carbone e combustibili	-
Materiali	-
Prodotti chimici	-
Materiali per l'edilizia	-
Container e imballaggi	-
Metalli e minerali	-
Carta e prodotti forestali	-
Beni industriali	1.8%
Beni di investimento	1.8%
Servizi commerciali e professionali	-
Trasporti	-
Beni voluttuari	20.4%
Beni di consumo primari	5.3%
Sanità	42.5%
Finanza	23.8%
Tecnologie dell'informazione	2.1%
Servizi di comunicazione	-
Servizi di pubblica utilità	-
Aziende elettriche	-
Aziende di erogazione di gas	-
Aziende multiservizi	-
Aziende idriche	-
Produttori indipendenti di energia e di elettricità da fonti rinnovabili	-
Immobiliare	1.8%

Il Gestore ha utilizzato i settori individuati dai Global Industry Classification Standard (GICS) nella tabella che precede. La tabella individua sottosettori/settori GICS che, secondo il Gestore, consentiranno un'analisi più granulare della dimensione ambientale/sociale degli investimenti del Comparto.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili conformemente al regolamento (UE) 2020/852.

- *Qual è stata la quota di investimenti in attività di transizione e abilitanti?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

- *Qual è stata la percentuale di investimenti allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?*

  N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Qual è stata la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Qual è stata la quota di investimenti socialmente sostenibili?

N/A – Il Comparto non si impegna a investire in investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti classificati come "#2 Altri" possono comprendere, senza limitarvisi, investimenti in società/emittenti con bassi punteggi secondo la metodologia LO ESG/CAR Rating Materialità e che il Gestore ha incluso nel portafoglio del Comparto anche a scopo di diversificazione, per riflettere l'esposizione agli indici di riferimento tradizionali o al mercato più ampio oppure nel caso in cui l'universo del Comparto è già soggetto a restrizioni. "#2 Altri" comprende anche investimenti in società non coperte dalla metodologia LO ESG/CAR Rating Materialità e le Disponibilità liquide ed equivalenti.

Quali misure sono state poste in essere per conseguire le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore ha svolto attività di engagement in linea con il proprio sistema aziendale di stewardship, che è guidato e ispirato dalla sua visione sulla sostenibilità e dal suo impegno in tale ambito. Ad oggi, le attività di engagement puntano a (i) incoraggiare l'allineamento delle aziende a percorsi sostenibili di transizione (ii) promuovere pratiche aziendali best-in-class e (iii) ad affrontare i casi di controversie gravi. La ricerca legata alle attività di engagement individua le debolezze, la mancanza di allineamento o l'esigenza di cambiamento e le traduce in obiettivi di impegno misurabili che consentono al Gestore di monitorarne i progressi nel tempo. Gli obiettivi di fondo delle attività di engagement del Gestore sono cercare di comprendere meglio le specificità di un'azienda (il che potrebbe incidere sul rating calcolato con la metodologia LO ESG/CAR Rating Materialità descritta in precedenza), migliorare le informative disponibili al pubblico e promuovere il cambiamento in generale in materia di sostenibilità, corporate governance e tematiche sociali.

Il Gestore definisce un "engagement" come la somma di tutte le interazioni che ha con un'azienda su una tematica rilevante specifica. Ciò vuol dire che il coinvolgimento di una società può essere molto articolato se il Gestore si confronta più volte con il management su tematiche rilevanti diverse. Il Gestore definisce "interazione" il confronto che ha con un'azienda in un breve arco di tempo. Un'interazione può assumere la forma di un'e-mail, di una chiamata/videochiamata, di un incontro faccia a faccia o, in taluni casi, di un impegno collaborativo. Il Gestore raccoglie dati su ogni singola interazione; in particolare, dopo ogni interazione raccoglie dati quantitativi e qualitativi registrandoli in una nota standardizzata di stewardship. Ogni valutazione di stewardship comprende fino a venti diversi campi di dati. Un engagement viene chiuso quando il Gestore ha raggiunto gli obiettivi o se la società non risponde alle sollecitazioni.

Nel periodo 1° ottobre 2021-30 settembre 2022, il Gestore ha effettuato le seguenti interazioni e attività di engagement su tutti i portafogli da esso gestiti e non solo sugli investimenti detenuti per conto del Comparto.

Numero di società con almeno un'interazione nel periodo in esame	171
Numero di engagement con almeno un'interazione nel periodo in esame	184
Numero di interazioni nel periodo in esame	264
Numero di società coinvolte in un processo di engagement attivo alla fine del periodo in esame	181

	Numero di engagement su questa tematica	% di engagement su questa tematica
Corporate governance	23	13%
Zero netto/OMP	42	23%
Ambiente	1	1%
Comunicazioni ESG/TCFD	67	36%
Natural Capital	21	11%
Controversie	13	7%
ESG/prassi aziendali	5	3%
ESG generale	7	4%
Società	5	3%

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.



Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?

N/A – Non è stato scelto alcun indice di riferimento.

- *In che modo l'indice di riferimento differisce da un indice generale di mercato?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario relativamente agli indicatori di sostenibilità per stabilire l'allineamento dell'indice di riferimento alle caratteristiche ambientali o sociali promosse?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice di riferimento?*

  N/A

- *Qual è stata la performance di questo prodotto finanziario rispetto all'indice generale di mercato?*

  N/A

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Dynamic Allocation Fund
Legal Entity Identifier: 549300PZ80BI5Q8OS924

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 71.33% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**
  The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**
  The Fund may allocate to sustainable investments of any type, i.e. investments with an environmental, and/or a social objective. The Fund is not required to favour any specific type of sustainable investment.

  The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	3.04%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.58%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.51%	FR
MEXICO (UNITED MEXICAN STATES) (GO	Public administration and defence; compulsory social security	2.24%	MX
SOUTH AFRICA (REPUBLIC OF)	Public administration and defence; compulsory social security	1.74%	ZA
MEXICO (UNITED MEXICAN STATES) (GO	Public administration and defence; compulsory social security	1.60%	MX
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.59%	FR
BRAZIL FEDERATIVE REPUBLIC OF (GOV	Public administration and defence; compulsory social security	1.49%	BR
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.49%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.48%	FR
3I INFRASTRUCTURE PLC	Financial and insurance activities	1.45%	JE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	5.30%	DE
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.98%	DE
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.28%	FR
UK CONV GILT	Public administration and defence; compulsory social security	1.27%	GB

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

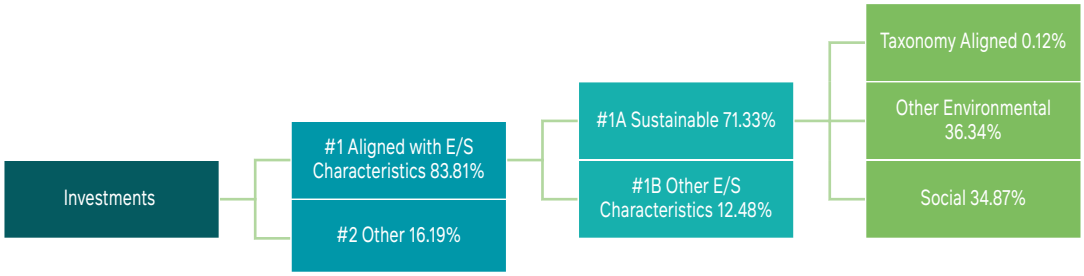
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 83.81% of NAV as at 31 March 2023. This comprised 71.33% of NAV in sustainable investments, and the remaining 12.48% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.12% were aligned to the EU Taxonomy. 36.34% related to investments with other environmental characteristics, and 34.87% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Public administration and defence; compulsory social security	39.12%
Financial and insurance activities	34.12%
Other	7.87%
Manufacturing	7.17%
Information and communication	2.51%
Mining and quarrying	2.43%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.59%
Electricity, gas, steam and air conditioning supply	0.95%
Transportation and storage	0.94%
Real estate activities	0.90%
Human health and social work activities	0.54%
Professional, scientific and technical activities	0.48%
Administrative and support service activities	0.42%
Construction	0.31%
Accommodation and food service activities	0.24%
Water supply; sewerage, waste management and remediation activities	0.20%
Activities of extraterritorial organisations and bodies	0.09%
Arts, entertainment and recreation	0.07%
Other service activities	0.02%
Education	0.01%
Agriculture, forestry and fishing	0.01%

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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.12%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

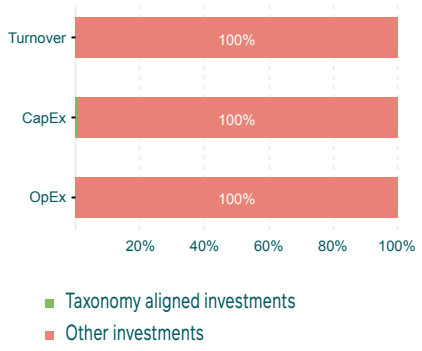
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

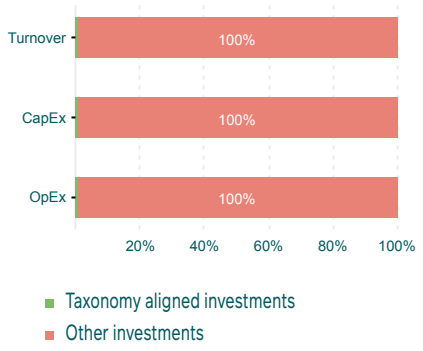
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 52.05% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**

The share of the Fund's investments made in transitional activities was 0% and in enabling activities was 0.01% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.01%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, money market funds and derivatives as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach and it maintained a weighted average ESG rating that was higher than that of the equity market as represented by its investment universe. Its compliance with the same is reported in the sustainability indicators above.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Global Dividend Fund
Legal Entity Identifier: 549300TRK90WIUZI3612

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 82.74% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was higher than that of the equity market as represented by its investment universe.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability Indicator Name	Value	Eligibility	Coverage
As at - 31 March 2023			
Portfolio weighted average ESG score for the fund	7.55 ESG Score	96.47%	99.85%
Portfolio weighted average ESG score for the Investment Universe	6.79 ESG Score	98.36%	49.67%

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund. Information on how the principal adverse impacts were taken into account will be provided in the Fund's annual report.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
METHANEX CORP	Manufacturing	6.99%	CA
MICROSOFT CORP	Information and communication	5.04%	US
GIBSON ENERGY INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	4.76%	CA
BROADCOM INC	Manufacturing	4.18%	US
KEYERA CORP	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.69%	CA
NOVARTIS AG	Manufacturing	3.45%	CH
AMCOR CDI PLC	Manufacturing	3.38%	AU
ANALOG DEVICES INC	Manufacturing	3.38%	US
BRISTOL MYERS SQUIBB	Manufacturing	3.19%	US
IMPERIAL BRANDS PLC	Manufacturing	3.14%	GB
TAKEDA PHARMACEUTICAL LTD	Manufacturing	3.05%	JP
ABRDN PLC	Financial and insurance activities	2.82%	GB
KLA CORP	Manufacturing	2.55%	US
SIEMENS N AG	Other	2.40%	DE
TRINSEO PLC	Manufacturing	2.38%	US

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

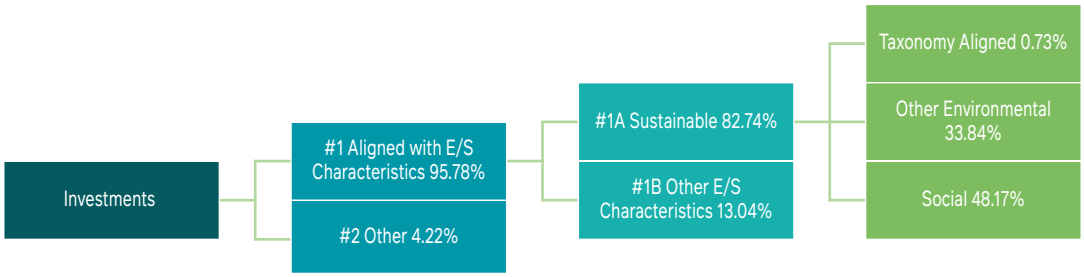
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 95.78% of NAV as at 31 March 2023. This comprised 82.74% of NAV in sustainable investments, and the remaining 13.04% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.73% were aligned to the EU Taxonomy. 33.84% related to investments with other environmental characteristics, and 48.17% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	61.94%
Financial and insurance activities	13.72%
Wholesale and retail trade; repair of motor vehicles and motorcycles	12.93%
Information and communication	5.81%
Other	3.67%
Mining and quarrying	1.70%
Professional, scientific and technical activities	0.22%

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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.73%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

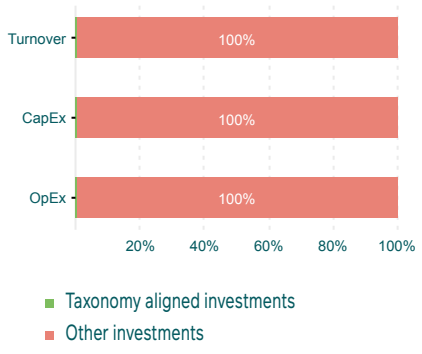
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

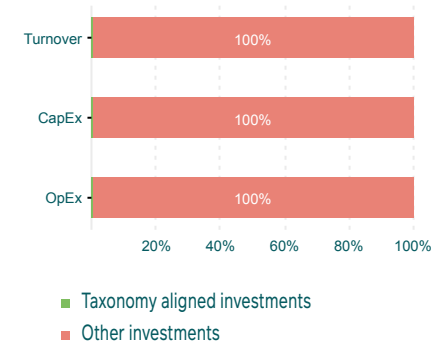
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.18%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0%
Share of Enabling Activities	0.18%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.


are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 33.84%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



What was the share of socially sustainable investments?
The share of socially sustainable investments was 48.17%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?
During the reference period the Fund held cash, near cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?
The Fund applied an exclusion policy to achieve its Exclusionary Approach and it maintained a weighted average ESG rating that was higher than that of the equity market as represented by its investment universe. Its compliance with the same is reported in the sustainability indicators above.



How did this financial product perform compared to the reference benchmark?
N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Global Macro Bond Fund
Legal Entity Identifier: 549300OHGMRPC0NPD471

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 55.85% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**
  The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

  The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

  The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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.

How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
TREASURY BOND	Public administration and defence; compulsory social security	5.49%	US
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	2.88%	US
TREASURY NOTE	Public administration and defence; compulsory social security	2.74%	US
TREASURY NOTE	Public administration and defence; compulsory social security	2.73%	US
UK CONV GILT	Public administration and defence; compulsory social security	2.26%	GB
AUSTRALIA (COMMONWEALTH OF)	Public administration and defence; compulsory social security	2.10%	AU
TREASURY NOTE	Public administration and defence; compulsory social security	1.95%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.59%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.45%	DE
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	1.44%	US
CANADA (GOVERNMENT OF)	Public administration and defence; compulsory social security	1.37%	CA
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.35%	DE
NORWAY (KINGDOM OF)	Public administration and defence; compulsory social security	1.25%	NO
TREASURY (CPI) NOTE	Public administration and defence; compulsory social security	1.23%	US
JAPAN (GOVERNMENT OF) 10YR #24	Public administration and defence; compulsory social security	1.21%	JP

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics.

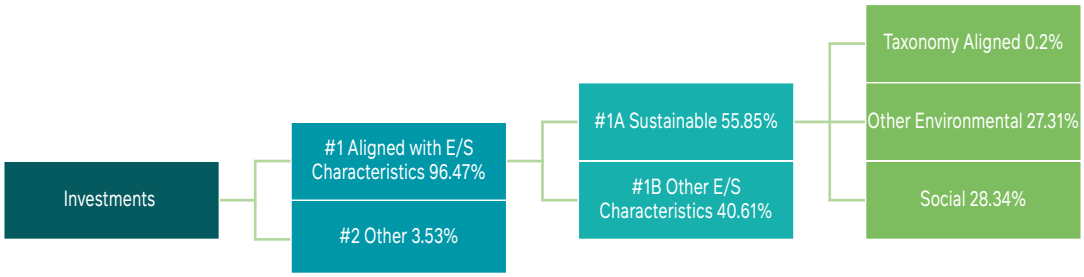
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 96.47% of NAV as at 31 March 2023. This comprised 55.85% of NAV in sustainable investments, and the remaining 40.61% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.2% were aligned to the EU Taxonomy. 27.31% related to investments with other environmental characteristics, and 28.31% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- **In which economic sectors were the investments made?**
  The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Public administration and defence; compulsory social security	65.21%
Financial service activities, except insurance and pension funding	18.90%
Other	8.32%
Manufacturing	2.80%
Information and communication	2.78%
Electricity, gas, steam and air conditioning supply	0.59%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.56%
Real estate activities	0.30%
Accommodation and food service activities	0.29%
Transportation and storage	0.20%
Administrative and support service activities	0.06%



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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0.2% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

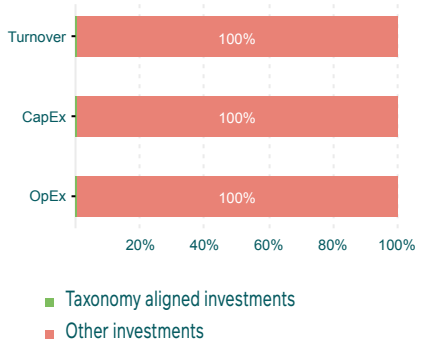
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

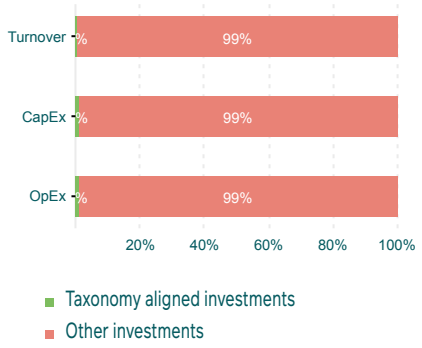
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 28.86% of the total investments.

For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.11%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	0.11%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 27.31%.This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

What was the share of socially sustainable investments?
The share of socially sustainable investments was 28.34%.This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Income Allocation Fund
Legal Entity Identifier: 5493009TGYUIY117XO13

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 62.83% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also includes assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach").

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**
  The Fund's sustainability indicators to test its compliance with its Exclusionary Approach were met at all times during the reporting period.

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**
  The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

  The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:
  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
TREASURY BOND	Public administration and defence; compulsory social security	11.65%	US
TREASURY BOND	Public administration and defence; compulsory social security	4.06%	US
MEXICO (UNITED MEXICAN STATES) (GO		2.28%	MX
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.21%	CL
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.21%	CL
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.93%	DE
SOUTH AFRICA (REPUBLIC OF)	Public administration and defence; compulsory social security	1.86%	ZA
TREASURY BILL	Public administration and defence; compulsory social security	1.80%	US
PERU (REPUBLIC OF)	Public administration and defence; compulsory social security	1.72%	PE
COLOMBIA REPUBLIC OF (GOVERNMENT)	Public administration and defence; compulsory social security	1.71%	CO
TREASURY NOTE	Public administration and defence; compulsory social security	1.68%	US
TREASURY BILL	Public administration and defence; compulsory social security	1.67%	US
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	1.65%	SP
TREASURY BILL	Activities of extraterritorial organisations and bodies	1.64%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.44%	DE
UK CONV GILT	Public administration and defence; compulsory social security	1.28%	GB

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 20% of the Fund to be in Sustainable Investments.

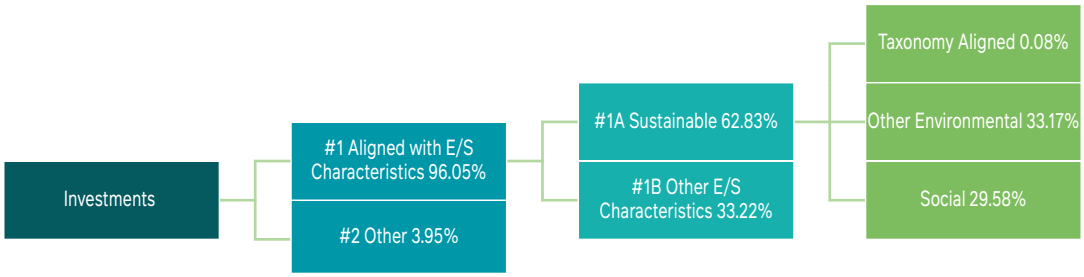
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 96.05% of NAV as at 31 March 2023. This comprised 62.83% of NAV in sustainable investments, and the remaining 33.22% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.08% were aligned to the EU Taxonomy. 33.17% related to investments with other environmental characteristics, and 29.58% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- **In which economic sectors were the investments made?**
  The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Public administration and defence; compulsory social security	40.36%
Financial and insurance activities	21.52%
Manufacturing	16.99%
Information and communication	4.77%
Other	3.74%
Construction	3.14%
Wholesale and retail trade; repair of motor vehicles and motorcycles	2.50%
Activities of extraterritorial organisations and bodies	2.15%
Real estate activities	1.85%
Human health and social work activities	1.10%
Transportation and storage	0.94%
Administrative and support service activities	0.60%
Accommodation and food service activities	0.21%
Electricity, gas, steam and air conditioning supply	0.06%
Mining and quarrying	0.05%
Other service activities	0.00%



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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0.08%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

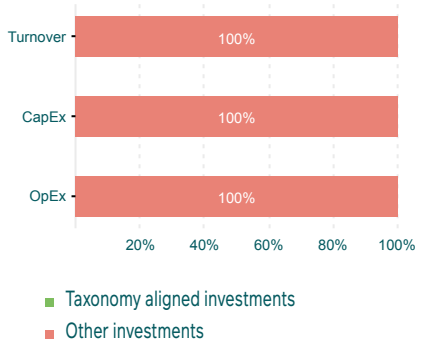
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

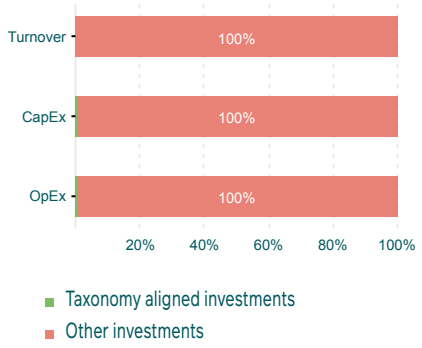
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 62.08% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.02%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0%
Share of Enabling Activities	0.02%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 33.17%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.

What was the share of socially sustainable investments?
The share of socially sustainable investments was 29.58%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash, collectives, FX derivatives and similar derivatives. No safeguards were applied.

The Fund may hold cash, near cash and money market funds, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach. Its compliance with the same is reported in the sustainability indicators above.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Japan Fund
Legal Entity Identifier: 549300OR1ZG2XAP7AU07

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 62.51% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society ("Exclusionary Approach"). Accordingly, the Investment Manager promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Fund maintained a weighted average ESG rating that was equivalent to at least an MSCI A rating.

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**

The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt were met at all times during the reporting period.

The Fund committed to maintain a weighted average ESG rating that is either:

1. Higher than that of the equity market as represented by its investment universe; or
2. Equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability Indicator Name	Value	Eligibility	Coverage
As at - 31 March 2023			
Portfolio weighted average ESG score for the Fund	6.69 ESG Score	98.78%	98.60%
Portfolio weighted average ESG score for the Investment Universe	7.15 ESG Score	99.42%	50%

- **...and compared to previous periods?**

The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for sustainable investments), which allowed the Investment Manager to make informed investment decisions.

The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund.

Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process. Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
MITSUBISHI UFJ FINANCIAL GROUP INC	Financial and insurance activities	4.00%	JP
HITACHI LTD	Information and communication	3.64%	JP
TOYOTA MOTOR CORP	Manufacturing	3.47%	JP
SEVEN & I HOLDINGS LTD	Wholesale and retail trade; repair of motor vehicles and motorcycles	3.44%	JP
MITSUI LTD	Mining and quarrying	3.37%	JP
ORIX CORP	Financial and insurance activities	3.23%	JP
CREDIT SAISON LTD	Financial and insurance activities	3.19%	JP
SONY GROUP CORP	Manufacturing	3.18%	JP
NIPPON TELEGRAPH AND TELEPHONE COR	Information and communication	3.10%	JP
HONDA MOTOR LTD	Manufacturing	2.87%	JP
SPARX GROUP LTD	Financial and insurance activities	2.63%	JP
KIRIN HOLDINGS LTD	Manufacturing	2.54%	JP
NIKON CORP	Manufacturing	2.51%	JP
MITSUI FUDOSAN LTD	Real estate activities	2.43%	JP
TOYOTA INDUSTRIES CORP	Manufacturing	2.32%	JP

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

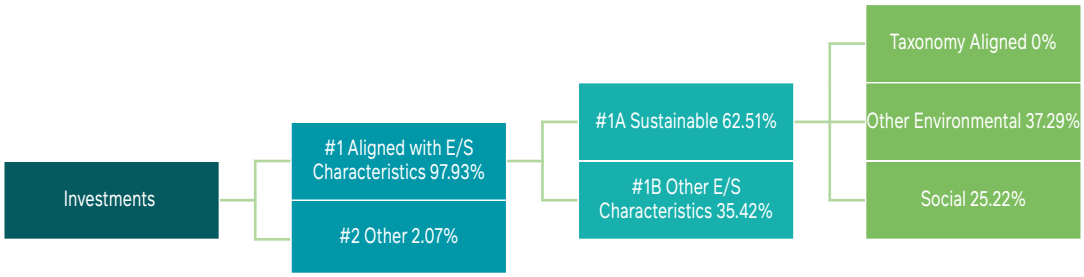
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 97.93% of NAV as at 31st March 2023. This comprised 62.51% of NAV in sustainable investments, and the remaining 35.42% of NAV in investments with other environmental and or social characteristics.

The Fund did not commit to invest in investments aligned to the EU Taxonomy, 0% were aligned to the EU Taxonomy. 37.29% related to investments with other environmental characteristics, and 25.22% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Manufacturing	40.67%
Information and communication	14.23%
Financial and insurance activities	13.98%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.95%
Administrative and support service activities	5.66%
Transportation and storage	4.84%
Construction	4.38%
Mining and quarrying	3.37%
Real estate activities	2.72%
Professional, scientific and technical activities	1.95%
Other	1.77%
Arts, entertainment and recreation	0.49%

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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 0%. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

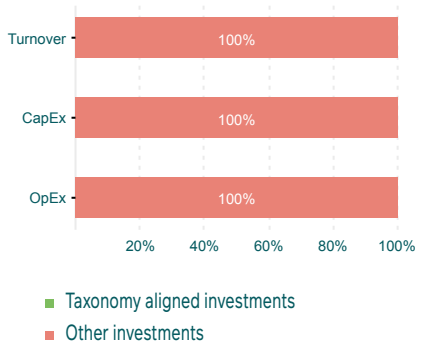
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

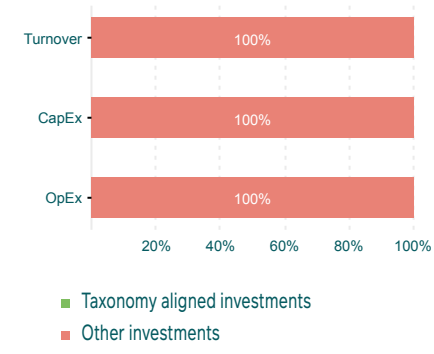
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional and enabling activities over the period was 0%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of transitional activities	0%
Share of enabling activities	0%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 37.29%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



What was the share of socially sustainable investments?
The share of socially sustainable investments was 25.22%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?
During the reference period the Fund held cash and near cash as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?
The Fund applied an exclusion policy to achieve its Exclusionary Approach. The Fund committed to maintain a weighted average ESG rating that is either

1. higher than that of the equity market as represented by its investment universe; or
2. equivalent to at least an MSCI A rating, whichever is lower ("Positive ESG Tilt").

The second of these tests was met. Its compliance with the same is reported in the sustainability indicators above.



How did this financial product perform compared to the reference benchmark?
N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Optimal Income Fund
Legal Entity Identifier: 5493008ON3OV4FEXKY59

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ Yes ● ● ☒ No

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 61.81% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society. For securitised investments such as asset-backed securities (ABS), this also included assessing them against the Investment Manager's proprietary scoring methodology ("Exclusionary Approach"). Accordingly, the Investment Manager is promoted environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG factors.

The Fund maintained a weighted average ESG rating that was higher than its investment universe ("Positive ESG Tilt"). In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted

- **How did the sustainability indicators perform?**
  The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and Positive ESG Tilt outcome were met at all times during the reporting period.

by the financial product are attained.

Please see the below table for an overview of the Fund's performance relative to its sustainability indicator.

The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability Indicator Name	Value	Eligibility	Coverage
As at - 31 March 2023			
Portfolio weighted average ESG score for the fund	6.83 ESG score	65.38%	91.16%
Portfolio weighted average ESG score for the Investment Universe	6.11 ESG score	64.60%	42.62%

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**
  The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

  The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above.

For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01 April 2022 to 31 March 2023

Largest investments	Sector	% Assets	Country
TREASURY NOTE	Public administration and defence; compulsory social security	2.38%	US
TREASURY NOTE	Public administration and defence; compulsory social security	2.16%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.95%	US
FRANCE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.80%	FR
TREASURY NOTE	Public administration and defence; compulsory social security	1.70%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.63%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.57%	US
TREASURY NOTE	Public administration and defence; compulsory social security	1.45%	US
UK CONV GILT	Public administration and defence; compulsory social security	1.07%	GB
BOEING CO	Manufacturing	0.80%	US
TREASURY NOTE	Public administration and defence; compulsory social security	0.79%	US
TREASURY NOTE	Public administration and defence; compulsory social security	0.79%	US
TREASURY NOTE	Public administration and defence; compulsory social security	0.69%	US
TREASURY BOND	Public administration and defence; compulsory social security	0.65%	US
TREASURY NOTE	Public administration and defence; compulsory social security	0.65%	US

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to 70% of the Fund to be aligned to the promoted E/S characteristics and a minimum of 20% in Sustainable Investments.

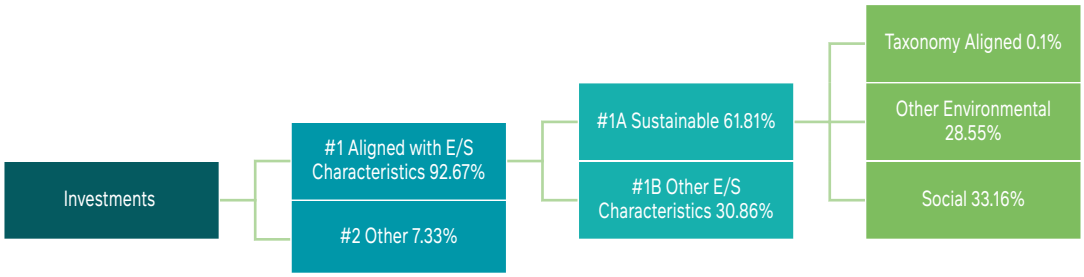
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 92.67% of NAV as at 31st March 2023. This comprised 61.81% of NAV in sustainable investments, and the remaining 30.86% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 0.10% were aligned to the EU Taxonomy. 28.55% related to investments with other environmental characteristics, and 33.16% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Financial and insurance activities	43.70%
Public administration and defence; compulsory social security	26.47%
Manufacturing	8.92%
Other	8.27%
Information and communication	4.57%
Electricity, gas, steam and air conditioning supply	2.62%
Real estate activities	0.90%
Administrative and support service activities	0.79%
Accommodation and food service activities	0.68%
Human health and social work activities	0.66%
Transportation and storage	0.65%
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.62%
Activities of extraterritorial organisations and bodies	0.49%
Professional, scientific and technical activities	0.39%
Construction	0.14%
Mining and quarrying	0.10%
Water supply; sewerage, waste management and remediation activities	0.03%

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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0.10% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

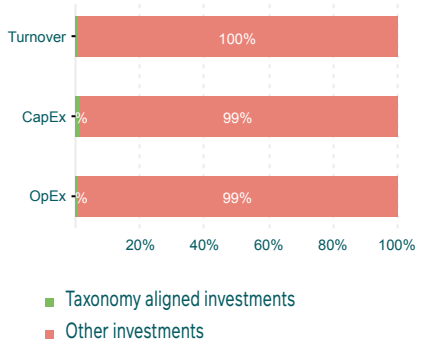
- ☐ Yes:
  - ☐ In fossil gas
  - ☐ In nuclear energy
- ☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

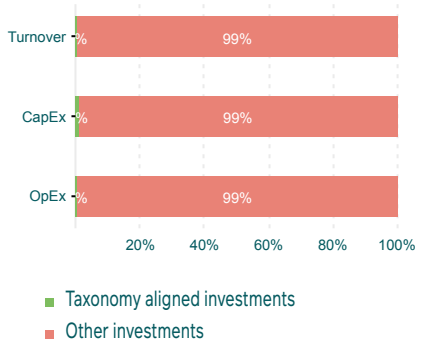
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 70.5% of the total investments.

For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional activities over the period was 0% and in enabling activities 0.01%. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of transitional activities	0%
Share of enabling activities	0.1%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 28.55%.This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

What was the share of socially sustainable investments?
The share of socially sustainable investments was 33.16%.This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash and money market funds, FX, interest rate derivatives and similar derivatives (which may include certain technical trades such as government bond futures used for duration trades) as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach and maintained an ESG rating that was higher than its investment universe, thereby applying a Positive ESG tilt to the portfolio. Its compliance with the same is reported in the sustainability indicators above.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Fund held cash, near cash and money market funds as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards were applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e., UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach and it maintained a weighted average ESG rating that was higher than that of the equity market as represented by its investment universe. Its compliance with the same is reported in the sustainability indicators above.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Global Listed Infrastructure Fund
Legal Entity Identifier: 222100K85SU14IF7PW30

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

● ● ☐ **Yes** ● ● ☒ **No**

☐ It made **sustainable investments with an environmental objective**:

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**:

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 51.43% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the use of an Exclusionary Approach and it made investments that are SDG-aligned (as defined below):

The Fund excluded certain potential investments from its investment universe to mitigate potential negative effects on the environment and society and to assist it in delivering more sustainable outcomes ("Exclusionary Approach").

The Fund considered the UN Sustainable Development Goals (SDGs) as part of its investment process and the sustainability themes considered by the Investment Manager are based on the SDGs as a relevant framework to measure contribution to sustainability factors ("SDG-alignment"). 98.91% of the Fund's investments by value were in investments considered by the Investment Manager to be related to sustainability themes.

No reference benchmark was designated for the purpose of attaining the Fund's promoted environmental and/or social characteristics.

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

The alignment percentage indicated in the graphic below shows the allocation between such investments and "Other" Investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **How did the sustainability indicators perform?**
  The Fund's sustainability indicators to test its compliance with its Exclusionary Approach and SDG-alignment were met at all times during the reporting period.

  Please see the below table for an overview of the Funds' performance relative to its sustainability indicator.

  The 'Eligibility' figure is a measure of the percentage of Fund assets which are eligible to be measured by the

sustainability indicator. The 'Coverage' figure indicates the percentage of eligible assets for which data is available.

Sustainability Indicator Name	Value	Eligibility	Coverage
As at - 31 March 2023			
Percentage (%) of investments by value that is SDG-aligned	81.11%	97.33%	99.72%

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**
  The Fund may allocate to sustainable investments of any type, i.e., investments with an environmental and/or social objective. The Fund is not required to favour any specific type of sustainable investment.

  The Investment Manager used a series of proprietary tests based on available data to determine whether and how an investment made positive contribution(s) towards environmental and social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:

  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund.

  Investments held by the Fund are then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund. Information on how the principal adverse impacts were taken into account will be provided in the Fund's annual report.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/22 to 31/03/23

Largest investments	Sector	% Assets	Country
ENEL	Electricity, gas, steam and air conditioning supply	3.74%	IT
E.ON N	Electricity, gas, steam and air conditioning supply	3.53%	DE
CROWN CASTLE INC	Other	3.26%	US
TC ENERGY CORP	Transportation and storage	3.13%	CA
PRAIRIESKY ROYALTY LTD	Mining and quarrying	3.04%	CA
FRANCO NEVADA CORP	Financial and insurance activities	3.03%	CA
EDISON INTERNATIONAL	Electricity, gas, steam and air conditioning supply	2.95%	US
TRANSURBAN GROUP STAPLED UNITS	Transportation and storage	2.94%	AU
GIBSON ENERGY INC	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.89%	CA
SEGRO REIT PLC	Real estate activities	2.83%	GB
EQUINIX REIT INC	Information and communication	2.81%	US
VINCI SA	Construction	2.71%	FR
INFRASTRUTTURE WIRELESS ITALIANE	Information and communication	2.63%	IT
KEYERA CORP	Wholesale and retail trade; repair of motor vehicles and motorcycles	2.57%	CA
AES CORP	Electricity, gas, steam and air conditioning supply	2.50%	US

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be aligned to the promoted E/S characteristics and for a minimum of 51% of the Fund to be in Sustainable Investments.

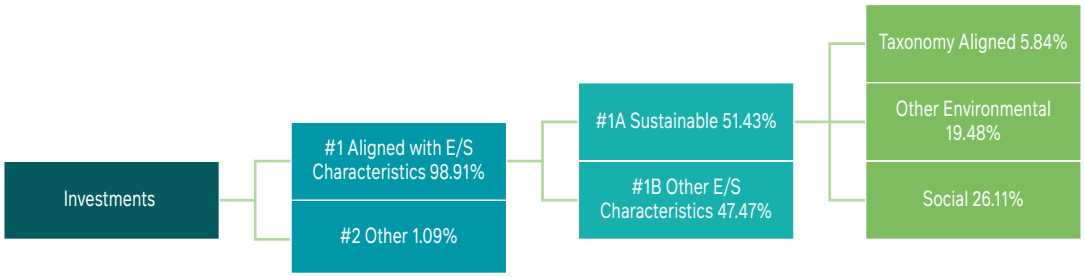
Asset allocations below are expressed as a percentage of Net Asset Value (NAV). The % of investments that were aligned to the environmental or social characteristic promoted was 98.91% of NAV as at 31 March 2023. This comprised 51.43% of NAV in sustainable investments, and the remaining 47.47% of NAV in investments with other environmental and or social characteristics.

Whilst the Fund did not commit to invest in investments aligned to the EU Taxonomy, 5.84% were aligned to the EU Taxonomy. 19.48% related to investments with other environmental characteristics, and 26.11% related to socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#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 category **#1 Aligned with E/S characteristics** covers:

- 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.

- **In which economic sectors were the investments made?**
  The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Electricity, gas, steam and air conditioning supply	30.43%
Financial and insurance activities	15.96%
Transportation and storage	12.92%
Real estate activities	12.72%
Information and communication	7.08%
Construction	6.45%
Wholesale and retail trade; repair of motor vehicles and motorcycles	5.46%
Mining and quarrying	5.01%
Water supply; sewerage, waste management and remediation activities	2.27%
Other	0.95%
Administrative and support service activities	0.75%



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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The share of the Fund's investments that were aligned with the environmental objectives under the Taxonomy Regulation during the reference period was 5.84%.This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it.The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

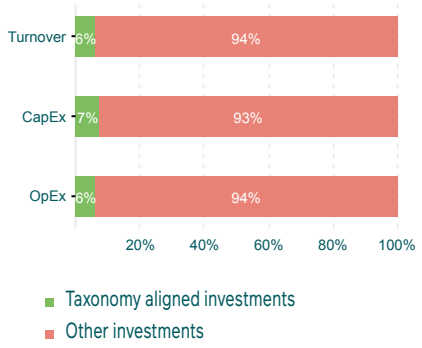
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

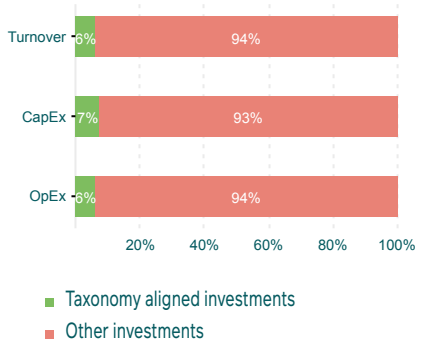
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Sub-Fund's investments made in transitional activities over the period was 0% and in enabling activities 1.75%. This compares to a minimum percentage commitment of 0% stated in the Sub-Fund's precontractual disclosure.

Activity	Percentage Investments
Share of Transitional Activities	0.00%
Share of Enabling Activities	1.75%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 19.48%. This compares to a minimum percentage commitment of 5% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.

What was the share of socially sustainable investments?
The share of socially sustainable investments was 26.11%. This compares to a minimum percentage commitment of 5% stated in the Fund's precontractual disclosure.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period the Sub-Fund held varying levels of cash and cash equivalents as "Other" investments during the reporting period as part of normal liquidity management. No minimum safeguards were applied.

Derivatives used to take investment exposure to diversified financial indices (excluding technical trades), and funds (i.e. UCITS and other UCIs) may be held for any reason permitted by the Fund's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test.

The Fund may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund applied an exclusion policy to achieve its Exclusionary Approach and it made investments that are SDG-aligned. Its compliance with the same is reported in the sustainability indicators above.

How did this financial product perform compared to the reference benchmark?

N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Periodic information for the financial products referred to in Article 8 of Regulation (EU) 2019/2088

Name of the product:

Mandarine Funds – Mandarine Unique Small&Mid Caps Europe (the "Fund")

Legal entity identifier:

LEI: 549300I3D737ZMJINE38

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective	☒ It promoted environmental and/or social (E/S) characteristics and although it did not have a sustainable investment objective, it had a proportion of 67.94% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made sustainable investments with a social objective	☒ With a social objective
	☐ It promoted E/S characteristics, but did not make any sustainable investments

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability **indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The Fund continued to promote environmental and social characteristics (the "E/S Characteristics"), notably through the implementation, during the period under review, of a series of normative and sectoral exclusions:

- Any direct investment in companies involved in the manufacture, trade, stockpiling or services for anti-personnel mines, cluster bombs, in accordance with the Ottawa and Oslo Treaty;
- Companies producing, stockpiling or trading in chemical, biological and depleted uranium weapons;
- Companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact;
- The companies which are subject to the most serious controversies (severity level 5 on a scale of 1 to 5);
- Companies or sectors considered to be particularly exposed to sustainability risk
- Exclusion of 20% of the lowest rated issuers through a "Best-In-Universe" approach

The promotion of E/S characteristics was also reflected in:

Analysis of sustainability indicators:

(i) Monitoring of the performance of a series of sustainability indicators;
(ii) Compared to the previous period when applicable;

And Sustainable Investments:

(i) A commitment to respect a minimum proportion of sustainable investment in the portfolio during the financial year under review;
(ii) The latter are subject to control of the absence of material harm to another sustainable investment objective;
(iii) In particular, by analysis of the principal adverse impacts of such investments.

○ **How did the sustainability indicators perform?**

Indicators	Description	Performance of the indicator
Synthetic Sustainability Risk Indicator (SRI)	Based on specifically risk-oriented ESG data, the aim of the SRI is to establish an overall level of risk for each investment in the portfolio in question. This sustainability risk monitoring indicator is based on external data from a non-financial information provider "Sustainalytics". This is a "sustainability" risk measurement rating that is broken down into five parts: • Company risk exposure, which is mainly a function of the risks associated with its sector of activity; • The portion of risk exposure that may be taken on by the company; • The portion of risk exposure taken on by the company; • The portion of unhedged risk that can be taken on by the company; And finally the portion of unhedged risk that cannot be taken on by the company.	3
Human capital indicators	The annual staff turnover of a company is calculated as the ratio of the sum of departures and arrivals to the company's total workforce at the beginning of the year. The data used is provided by companies in their annual reports.	14.89%
Carbon Footprint	Expressed in Mt CO2e/€M invested, this corresponds to the weighted average of greenhouse gas emissions corresponding to the direct activities of companies (Scope 1) and those related to the consumption of electricity, heat or steam required to manufacture products (Scope 2) and those related to first line suppliers with which the companies have a direct relationship (part of upstream scope 3). The carbon footprint calculation reflects CO2 emissions at a given point in time. Greenhouse gas emissions data is provided by Trucost.	100.89
Diversity of the Board	The data used is provided by companies in their annual reports and is weighted according to the weight of each company in the fund. Board members are considered independent in light of the recommendations of the AFEP-MEDEF Governance Code. An independent director is a member who is free of interest, i.e. who does not perform any management functions of the	52.8%

	company or its group and is free of special interests (shareholder, employee, other, etc.)	
Company engagement	The data used regarding the commitment to the Global Compact comes from the United Nations. This binary data (Yes/No) is weighted according to the relative weight of each company in the Fund. The Global Compact is a United Nations initiative launched in 2000. Today, more than 9,600 companies around the world are signatories to the Global Compact. This is the largest international voluntary commitment to sustainable development initiative.	36%
Eligibility for the EU Taxonomy or "green share"	The green share of the portfolio corresponds to the percentage of turnover of companies eligible for the European Taxonomy. This green taxonomy describes the criteria for guiding finance towards climate-compatible activities. Three types of activities: - Low-carbon activity; - Transition activity; and - Activity making carbon neutrality possible.	
Monitoring of the 2°C alignment defined in the Paris agreements.	The Fund monitors the alignment of its temperature with the +2°C trajectory mainly on the basis of the Science Based Targets (SBT) initiative, which permits companies to define and submit their greenhouse gas reduction targets (Scopes 1 and 2 + Scope 3 if this represents more than 40% of emissions). This methodology was developed in order to comply with the Paris Agreement on Climate Change (signed in 2015), whose aim was to limit global warming to below 2°C compared to the pre-industrial era and continuing efforts to limit it to 1.5°C. It is mainly based on the allocation of a carbon budget by business sector by 2100. Mandarine Gestion is a signatory of the Net Zero Asset Manager Initiative, whose objective is to align part of the assets under management with the trajectory of the Paris Agreement and to revise this objective every year.	Less than 2°

- **…and compared to previous periods?**

Not applicable

○ **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investments contribute to such objectives?**

The EU Taxonomy identifies six environmental objectives: climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy (including waste prevention and recycling), pollution prevention and control, and protection and restoration of biodiversity and ecosystems, and identifies economic activities considered environmentally sustainable for investment purposes. The alignment of companies' activities with the objectives of the EU taxonomy is identified and assessed provided that data is available and of adequate quality.

The Fund selects sustainable investments, i.e. carrying out economic activities that contribute substantially to a sustainable social or environmental objective (particularly the European taxonomy), while not significantly undermining other sustainable objectives and meeting a minimum standard of governance.

To qualify as a sustainable investment, the Fund benefits from a non-financial rating of issuers in its investment universe. The construction of this rating is based on the proprietary ESG-View system, which is based on four pillars: Environment (E), Social (S), Governance (G) and Stakeholders (SH). Analysis of the extra-financial indicators making up the pillars results in a score (the "**ESG-View Score**") for each pillar, ranging from -2 to +2.

Sustainable investment is subject to a regulatory definition, according to the provisions of the SFDR regulation. It corresponds to an investment in an economic activity:

1) Contributing significantly to an environmental (taxonomy or not) or social objective,
2) Provided that these investments do not cause significant harm to any of these objectives (the "Do Not Significantly Harm" or DNSH principle)
3) and that the companies in which investments are made apply good governance practices.

In addition to the constraints related to the promotion of E and S characteristics, economic activities qualifying as sustainable investments must verify points 1 to 3 above, as follows:

1) **Significant contribution**: The issuer's ESG-View Score must be strictly above average, i.e. 0 for a score between -2 and +2, on the E or S pillar, in order to be considered as contributing significantly to an E or S objective.
2) **No significant harm**:
    a. The absence of significant detriment to other sustainable objectives is verified by requiring an ESG-View Score above -1 on both pillars E and S for a score between -2 and +2. The ESG-View Score includes indicators relating to the main negative impacts on each of the E and S pillars, enabling the management company to ensure that the economic activity being invested in complies with the DNSH principle.
    b. For issuers passing this first filter, all 14 indicators relating to the Principal Adverse Impact (PAI) defined by the regulation are analysed, as well as those (at least two) of the 26 optional indicators that are relevant. Thresholds are defined for each of these indicators and crossing a threshold is considered as an alert, leading to the need for a specific analysis by an ESG analyst, which will lead to the acceptance or refusal of the issuer's sustainable investment status.
3) **Good governance**: Finally, the eligible issuer will have to achieve an ESG-View Governance Score above -1 to ensure that it applies certain minimum standards.

- Based on this definition, 67.94% of net assets are sustainable:
    - 46.66% contribute to a non-taxonomy environmental objective
    - 18.14% contributes to a social objective
    - 3.14% contribute to an environmental objective under the EU taxonomy



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

○ **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

None of the sustainable investments made by the Fund should significantly harm a sustainable investment objective. This lack of significant harm to a sustainable investment objective is analysed in two different ways by the Fund:

1/ Within the very definition of sustainable investment.

When characterising a sustainable investment, the issuer's ESG View® rating on the environment pillar and on the social pillar must be greater than -1. Otherwise, the issuer is considered non-sustainable.

2/ As part of the analysis of the Principal Adverse Impacts

In order to be qualified as sustainable, an issuer must also be analysed against the *Principal Adverse Impacts* ("PAIs"). Each issuer, qualified as sustainable according to the method described in the section entitled "*What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investments contribute to such objectives?",* is then analysed according to its performance on each of the 16 PAIs listed in the section entitled "*How did this financial product consider principal adverse impacts on sustainability factors?*". If the issuer breaches one of the objectives attached to the PAIs, it is subject to an additional qualitative analysis. In the absence of a favourable additional qualitative analysis within a reasonable period of time, or in the event of an unfavourable opinion, the issuer is considered non-sustainable.

The analysis of PAIs and, more generally, the definition of sustainable investment are regularly updated. Thus, a stock qualified as sustainable at the date of its acquisition may be requalified as a non-sustainable stock during the duration of its holding by the Fund and lead to an obligation to sell it within a reasonable period of time.

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

As mentioned above, the characterisation of sustainable investing is based in particular on the analysis of the absence of material harm to other sustainable investment objectives is integrated into the determination of sustainable investment objectives.

Firstly, the rating system incorporates a minimum rating on all E and S pillars made up of sustainability indicators in the environmental and social categories. It is also supplemented by a mandatory minimum rating focused on a series of indicators that make up the pillar of good governance.

Once this rating filter is passed, each issuer is analysed against the principal adverse impacts ("PAIs") as described in the section below entitled "*How did this financial product consider principal adverse impacts on sustainability factors*".

The "do no significant harm" principle applies only to investments qualifying as sustainable.

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

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is tested and ensured through the process of identifying sustainable investments.

The EU Taxonomy establishes a principle of "do not cause significant harm" under which investments aligned with the taxonomy should not cause significant harm to the objectives of the EU taxonomy and be accompanied by specific Union criteria.

The "do no significant harm" principle only applies to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



○ **How did this financial product consider principal adverse impacts on sustainability factors?**

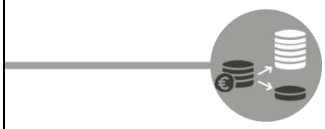
During the year under review, PAIs were taken into account for each investment in order to qualify it as sustainable.

PAIs are specific indicators designed to ensure that issuers meeting a sustainable investment objective do not undermine another sustainable investment objective. The indicators below are analysed on the basis of sector thresholds.

Greenhouse gas (GHG) emissions	1. Greenhouse gas emissions; 2. Carbon footprint; 3. Greenhouse gas emission intensity of invested companies; 4. Exposure to companies operating in the fossil fuel sector; 5. Share of non-renewable energy consumption and production; 6. Energy consumption intensity by high climate impact sectors;
Biodiversity	7. Activity with a negative impact on biodiversity-sensitive areas
Water	8. Activity with a negative impact on water
Waste	9. Ratio of hazardous waste
Social and employee issues	10. Violation of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises; 11. Lack of control and compliance relating to point 10.; 12. Unadjusted gender pay gap; 13. Gender balance on the board of directors; 14. Exposure to controversial weapons.
Water, waste and other materials (optional)	15. Non-recyclable waste ratio.
Social and employee issues (optional)	16. Lack of a mechanism for dealing with disputes or complaints relating to employee issues

In order to be qualified as sustainable, an issuer must also be analysed against the *Principal Adverse Impacts* ("PAIs"). Each issuer, qualified as sustainable according to the method described in the section entitled "*What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investments contribute to such objectives?",* is then analysed according to its performance on each of the 16 PAIs listed in the section entitled "*How did this financial product consider principal adverse impacts on sustainability factors?*". If the issuer breaches one of the objectives attached to the PAIs, it is subject to an additional qualitative analysis. In the absence of a favourable additional qualitative analysis within a reasonable period of time, or in the event of an unfavourable opinion, the issuer is considered non-sustainable.

The analysis of PAIs and, more generally, the definition of sustainable investment are regularly updated. Thus, a stock qualified as sustainable at the date of its acquisition may be requalified as a non-sustainable stock during the duration of its holding by the Fund and lead to an obligation to sell it within a reasonable period of time.



What were the main investments in this financial product?

The table below lists the Fund's top 15 investments calculated on the basis of a monthly average.

The list includes the investments making up the largest proportion of the financial product's investments during the reporting period, namely:

1 January 2022 – 30 December 2022

Largest investments	Sector	% of assets	Country
Edenred	Professional and commercial services	3.25%	France
ELIS SA	Professional and commercial services	3.20%	France
Remy Cointreau	Food, beverage and tobacco products	2.73%	France
FINECOBANK SPA	Banks	2.59%	Italy
MONCLER SPA	Consumer durables & apparel	2.55%	Italy
D Ieteren	Distribution	2.45%	Belgium
CRODA INTERNATIONAL PLC	Materials	2.40%	United Kingdom
Ackermans & Van Haaren	Financial services	2.37%	Belgium
Kingspan Group	Capital goods	2.33%	Ireland
Amplifon SpA	Healthcare equipment and services	2.16%	Italy
SIEGFRIED HOLDING AG-REG	Pharmaceutical, biotechnological and biological sciences	2.15%	Switzerland
S.O.I.T.E.C.	Semiconductors and equipment for their manufacture	2.10%	France
Lotus Bakeries	Food, beverage and tobacco products	2.08%	Belgium
Interpump Group SpA	Capital goods	2.07%	Italy
Andritz Ag	Capital goods	2.02%	Austria

What was the proportion of sustainability-related investments?

Asset allocation describes the proportion of investments in specific assets.

As at the closing date, 80% of the Fund's net assets are made up of assets aligned with the promotion of ESG characteristics and 67.94% are sustainable investments.

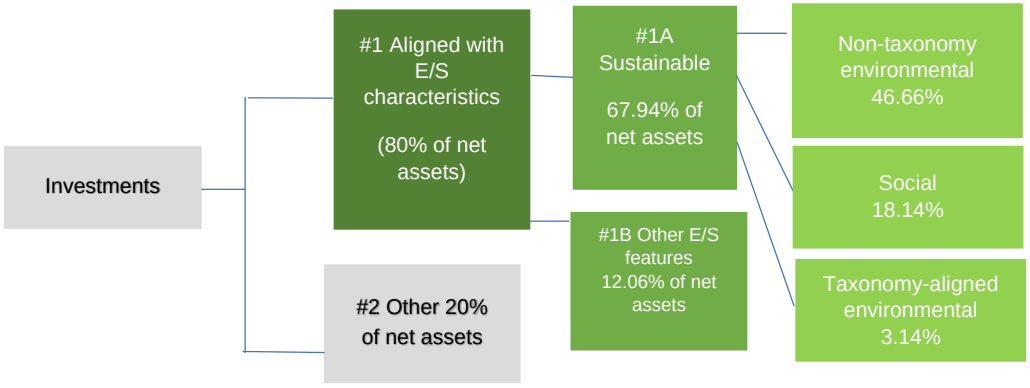
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035.

For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **What was the asset allocation?**



#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 category **#1 Aligned with E/S characteristics** covers:

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

- **In which economic sectors were the investments made?**

The table below lists the Fund's sectors calculated on the basis of a monthly average.

Sectors	Proportion
Capital goods	17.73%
Materials	7.39%
Consumer discretionary and distribution	7.04%
Professional and commercial services	6.96%
Media & entertainment	5.89%
Healthcare equipment and services	5.71%
Food, beverage and tobacco products	5.18%
Pharmaceutical, biotechnological and biological sciences	5.13%
Consumer durables & apparel	4.89%
Cash and other	4.79%
Software and services	4.69%
Semiconductors and equipment for their manufacture	3.94%
IT hardware and equipment	2.90%
Real estate management and development	2.80%
Transport	2.67%
Banks	2.59%
Financial services	1.83%
Automobiles & automobile components	1.62%
Consumer services	1.41%
Energy – oil and gas equipment and services	1.08%
Energy – oil and gas storage and transportation	1.06%
Listed real estate investment companies (SIIC)	0.79%
Utilities	0.72%
Insurance	0.63%
Domestic and personal care products	0.56%

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

3.14% of the Fund's net assets had turnover aligned with the first two environmental objectives within the meaning of the taxonomy. However, in the absence of reliable data on the distribution between the two environmental objectives, it is not possible to communicate this data. No third party has granted any guarantee relating to the production of such data. This figure is determined on the basis of the figures directly reported by the issuers in the portfolio, as transmitted through Bloomberg. The figures are not reprocessed by Mandarine Gestion or Bloomberg.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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 with respect to all investments in the financial product, including sovereign bonds, while the second graph represents the taxonomy alignment only with respect to investments in the financial product other than sovereign bonds.

Taxonomy-aligned activities are expressed as a share of:

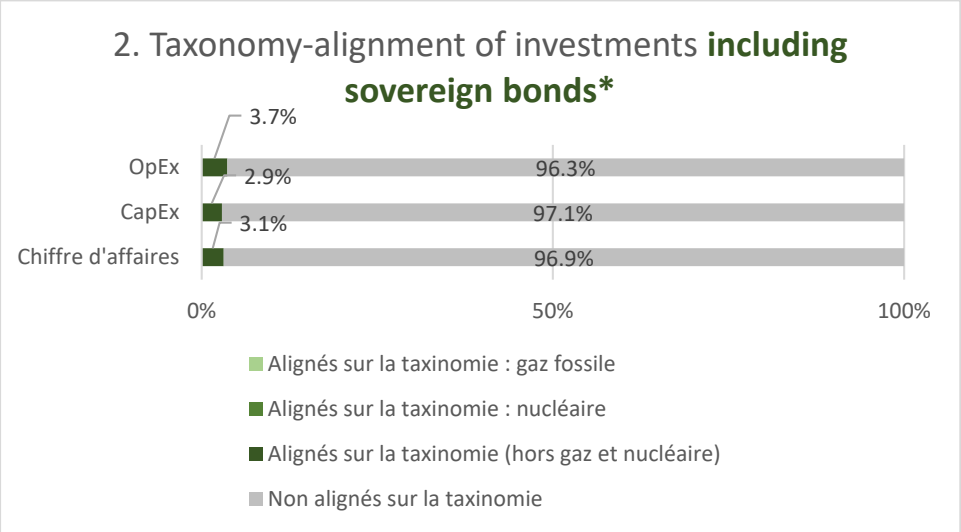
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turnover reflecting the share of revenue from green activities of investee companies;

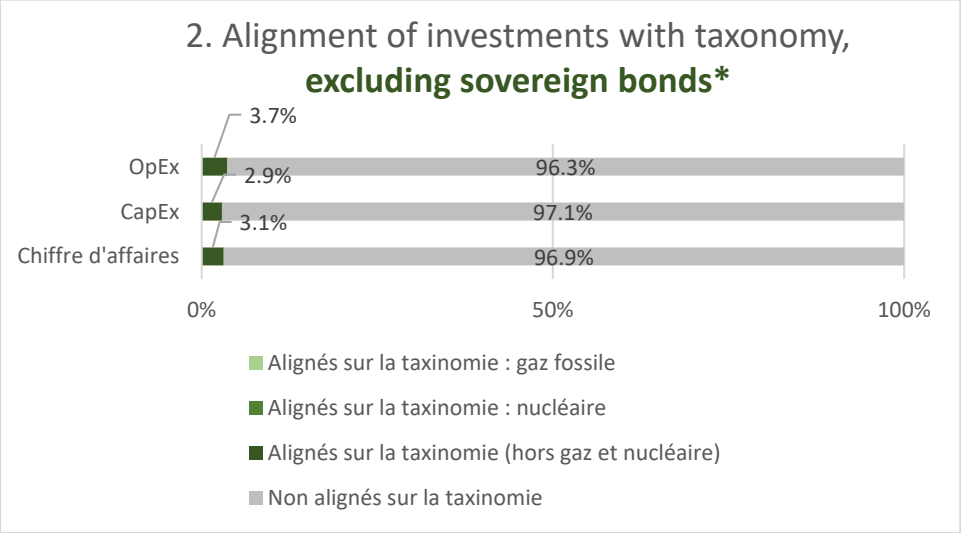
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;

- operational expenditure (OpEx) reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



[1] Fossil gas and/or nuclear-related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



**For the purpose of these graphs, 'sovereign bonds' consist of all* sovereign *exposures.*

- **What was the share of investments made in transitional and enabling activities*?***

As at the Fund's closing date, in the absence of reliable data on the distribution between transitional and enabling activities, it is not possible to communicate this data.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable

What was the share of sustainable investments with an environmental objective that were not aligned with the EU taxonomy?

The Fund's environmental definition of sustainable investment is based on a series of environmental criteria and indicators that do not exclusively take into account the criteria specific to the European Taxonomy.

This is due in particular to the fact that the sufficiently reliable data regarding the alignment with the taxonomy is scarce and data coverage remains too low to rely on a reliable definition of the taxonomy-aligned investment in this fund.

As at the Fund's closing date, the share of sustainable investments with an environmental objective that was not aligned with the EU taxonomy was 46.7%.

What was the share of socially sustainable investments?

As at the Fund's closing date, the share of socially sustainable investments was 18.14%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

During the reference period, the "Other" category included the following investments, up to a maximum of 20% of net assets:

- in entities that have not been assessed due to a lack of available information or contradictory information;
  or

- Cash, any UCIs including MMFs for cash management purposes
- The Fund was able to use derivative instruments for hedging purposes or to manage investments in issuers listed in a currency other than the fund's reference currency (i.e. USD, GBP, CHF, etc.).

Minimum environmental or social guarantees include the implementation of exclusions to restrict investments in companies and issuers that have significant exposure to certain activities likely to harm the environment or society in the broad sense:

- Any direct investment in companies involved in the manufacture, trade, stockpiling or services for anti-personnel mines, cluster bombs, in accordance with the Ottawa and Oslo Treaty;
- Companies producing, stockpiling or trading in chemical, biological and depleted uranium weapons;
- Companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact;
- The companies which are subject to the most serious controversies (severity level 5 on a scale of 1 to 5);
- Companies or sectors considered to be particularly exposed to sustainability risk;
- In addition, the Fund implements an exclusion resulting from its "Best-in-universe" strategy, leading to the impossibility of investing in entities representing the lowest 20% ESG-rated entities. At least 90% of the Fund's net assets are subject to an ESG rating.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Management Company's shareholder engagement also made it possible to respect the environmental and social characteristics promoted by the Fund during the reference period.

Number of general meetings (GMs) voted on	28
Voting participation rate at GMs (%)	50
Approval rate for resolutions (%)	92
Percentage of GMs that were the subject of a negative vote (%)	64
External resolutions filed	0
"Say on Climate[2]"	1
Ongoing commitments	10
Targeted commitments	3



How did this financial product perform compared with the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How does the reference benchmark differ from a broad market index?**
  Not applicable
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
  Not applicable
- **How did this financial product perform compared with the reference benchmark?**
  Not applicable
- **How did this financial product perform compared with the broad market index?**
  Not applicable

[2] Resolution to the agenda of general meetings, which may be tabled by the company itself or by its shareholders, in order to have shareholders vote each year on the climate policy of listed companies and therefore ensure an ongoing dialogue on environmental issues

Template periodic disclosure for the products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph financial, of Regulation (EU) 2020/852

Product name: MFS Meridian Funds – Global Intrinsic Value Fund **("MFS Global Intrinsic Value Fund")**
Legal entity identifier: 549300HBJQZCFOH6EK74

Environmental and/or social characteristics

Does this financial product have a sustainable investment?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:**___%	☐ 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___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:**___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 31 December 2021, the MFS Global Intrinsic Value Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the MFS Global Intrinsic Value Fund will aim to have at least 50% of the equity securities in the portfolio invested in equity issuers that meet at least one of the three climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 31 January 2023, 71.95% of the equity securities in the portfolio of the MFS Global Intrinsic Value Fund met at least one of the climate criteria, which represented 70.41% of the total assets. Equity securities represented 97.86% of the assets of the MFS Global Intrinsic Value Fund as of 31 January 2023. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

This periodic disclosure relates to the period from 31 December 2021 to 31 January 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 1	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	56.77	55.56
30 November 2021	58.16	57.63

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities in the portfolio invested in equity issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 2	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	52.65	51.52
30 November 2021	44.4	44.0

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 3	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	0	0
30 November 2021	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
31 January 2023	71.95	70.41
30 November 2021	69.90	69.26



… and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do no 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.

The MFS Global Intrinsic Value Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyze various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the MFS Global Intrinsic Value Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available to investment professionals the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint**, **exposure to active in the fossil fuel sector**, **share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "**Additional Emissions Indicators**"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022. MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available to investment professionals the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** and **board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply

principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.



What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 31 December 2021 to 31 January 2023.

Largest investments	Sector	% Asset	Country
Colgate-Palmolive Co	Consumer Staples	2.57	United States
Cadence Design Systems Inc	Information Technology	2.46	United States
Synopsys Inc	Information Technology	2.21	United States
Nestle SA	Consumer Staples	2.16	Switzerland
Aon PLC	Financials	1.85	United States
Microsoft Corp	Information Technology	1.82	United States
Costco Wholesale Corp	Consumer Staples	1.80	United States
Analog Devices Inc	Information Technology	1.78	United States
Franco-Nevada Corp	Materials	1.76	Canada
ANSYS Inc	Information Technology	1.62	United States
Charles Schwab Corp	Financials	1.59	United States
Schneider Electric SE	Industrials	1.45	France
Givaudan SA	Materials	1.43	Switzerland
Watts Water Technologies Inc	Industrials	1.43	United States
Agilent Technologies Inc	Health Care	1.41	United States

The top investment holdings above represent the average security weights for the top 15 securities in the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



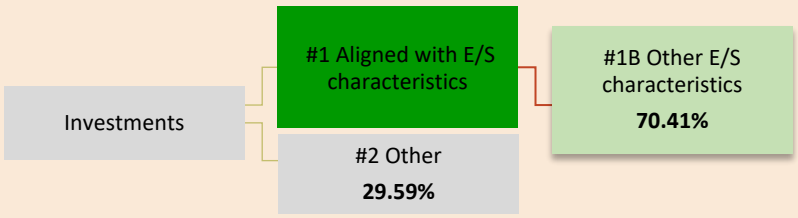
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The MFS Global Intrinsic Value Fund aims to have at least 50% of the equity securities in the portfolio invested in equity issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the MFS Global Intrinsic Value Fund (i.e. # 1) from the Transition Date.

What was the asset allocation?

As of 31 January 2023, equity securities represented 97.86% of the total assets of the portfolio of the MFS Global Intrinsic Value Fund; the remaining investments of 2.16% in the portfolio included cash and / or cash equivalent instruments; 71.95% of the equity securities in the portfolio of the MFS Global Intrinsic Value Fund met at least one of the climate criteria, which represented 70.41% of the total assets of the portfolio that attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 29.59% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.



#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.

In which economic sectors were the investments made?

Sectors	% Average weight
Information Technology	24.25
Industrials	23.69
Consumer Staples	15.89
Materials	11.44
Financials	9.54
Health Care	6.08
Consumer Discretionary	3.55
Cash & Cash Equivalents	1.98
Communication Services	1.36
Energy	1.28
Real Estate	0.94

The sector holdings above represent the average sector weight for the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

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

Zero. The MFS Global Intrinsic Value Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

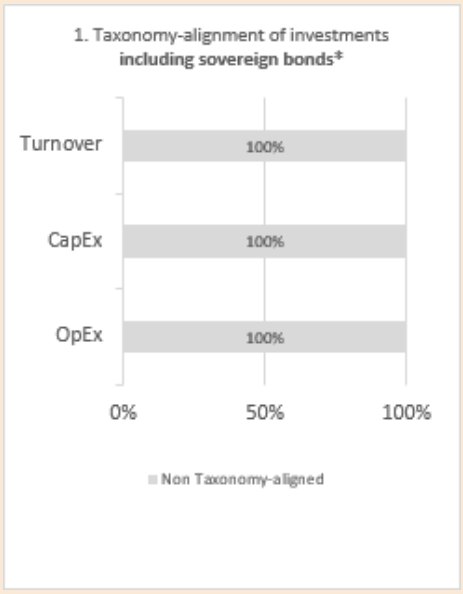
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?

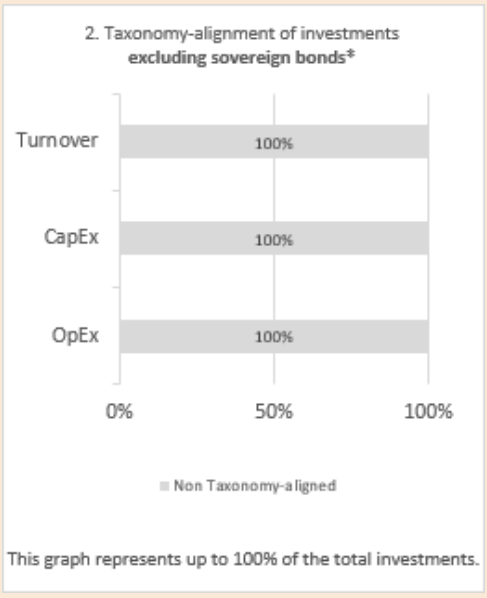
☐ Yes:

☐ In fossil fuel ☐ In nuclear energy

✖ No. The MFS Global Intrinsic Fund does not monitor investments for compliance with the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Zero. The MFS Global Intrinsic Value Fund does not aim or commit to invest in transitional or enabling activities as defined under the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Zero. The MFS Global Intrinsic Value Fund does not aim or commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of sustainable investments with a social objective?

Not applicable.

What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the

climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include cash and cash equivalent instruments.

What actions have been taken to meet the environmental and / or social characteristics during the reference period?

The MFS Global Intrinsic Value Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM") - In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS assets under management will be considered in-scope, including investments in equity securities of the MFS Global Intrinsic Value Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonization of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

Task Force on Climate related Financial Disclosures ("TCFD") – MFS became a signatory in 2019. In 2022, MFS produced its first annual report in line with the TCFD recommendations. This report demonstrates our progress in integrating climate-risk awareness into our business operations and investment strategy. The full report is available on www.mfs.com.

MFS Climate Letter – MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group – MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements and Proxy Voting - MFS Global Intrinsic Value Fund

During the reporting period, MFS investment professionals conducted at least 13 engagements with issuers in the portfolio on climate related risks and opportunities including: Accenture PLC, Agilent Technologies Inc, Colgate-Palmolive Co, Danaher Corp, Epiroc AB, Glencore PLC, LEG Immobilien SE, Ryanair Holdings, and Vulcan Materials Co. Topics engaged on include identification of climate risk, transition risk and Net Zero / SBTi initiatives. MFS investment professionals also assessed and voted FOR climate related shareholder proposals of the following issuer during the reporting period: Alphabet Inc,. MFS investment professionals also assessed and voted AGAINST climate related shareholder proposal of the following issuer during the reporting period: Amazon.com Inc. and Microsoft.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Link to access website disclosure:
https://www.mfs.com/content/mfs-enterprise/microsites/meridian/global/en/mfs-meridian-funds.html

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: MFS Meridian Funds – Prudent Capital Fund **("MFS Prudent Capital Fund")**
Legal entity identifier: 222100FL6ZWWC5ZUHJ09

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:**___%	☐ 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___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:**___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 31 December 2021, the MFS Prudent Capital Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the MFS Prudent Capital Fund will aim to have at least 50% of the equity securities and 50% of the corporate debt instruments (as applicable) in the portfolio invested in equity issuers and corporate debt issuers that meet at least one of the four climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 31 January 2023: 68.64% of the equity securities in the portfolio of the MFS Prudent Capital Fund met at least one of the climate criteria, which represented 40.43% of the total assets; 62.92% of the corporate debt instruments in the portfolio of the MFS Prudent Capital Fund met at least one of the climate criteria, which represented 6.82% of total assets. Equity securities represented 58.88% and corporate debt instruments represented 10.84% of the assets of the MFS Prudent Capital Fund as of 31 January 2023. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes. Corporate debt instruments percentages included in this report include any accrued interest amounts.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

This periodic disclosure relates to the period from 31 December 2021 to 31 January 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers and corporate debt issuers: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 1	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	46.45	27.35
30 November 2021	66.76	32.23

Climate Criterion 1	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	52.77	5.77
30 November 2021	29.9	3.02

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 2	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	61.28	36.08
30 November 2021	52.30	25.27

Climate Criterion 2	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	23.71	2.57
30 November 2021	9.60	0.97

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 3	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	0	0
30 November 2021	0	0

Climate Criterion 3	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	0	0
30 November 2021	0	0

Climate Criterion 4 – Measuring activities that facilitate transition to a low carbon economy: the percentage (%) of corporate debt instruments in the portfolio invested in corporate debt issuers that have committed to use the proceeds raised to finance climate change adaptation and / or mitigation activities or to attain a reduction in GHG emissions determined in accordance with the methodology in the website disclosure (see link below).

Climate Criterion 4	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	6.09	0.66
30 November 2021	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting this criterion
31 January 2023	68.64	40.42
30 November 2021	80.16	38.70

Compliance with climate criteria – measuring the percentage (%) of corporate debt instruments in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of corporate debt instruments in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
31 January 2023	62.92	6.82
30 November 2021	34.6	3.50

… and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do no 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.

The MFS Prudent Capital Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.



How did this financial product consider principal adverse impacts on sustainability factors?

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals

Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyze various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the MFS Prudent Capital Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available to investment professionals the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint**, **exposure to active in the fossil fuel sector**, **share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "**Additional Emissions Indicators**"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022. MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available to investment professionals the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** and **board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.



What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 31 December 2021 to 31 January 2023.

Largest investments	Sector	% Asset	Country
US Treasury Note 1.375% SEP 30 23	U.S. Governments	4.95	United States
US Treasury Note 1.375% JUN 30 23	U.S. Governments	4.74	United States
US Treasury Note 0.5% MAR 15 23	U.S. Governments	4.74	United States
Alphabet Inc Class A	Communication Services	3.58	United States
US Treasury Note 2.625% DEC 31 23	U.S. Governments	3.43	United States
LEG Immobilien SE	Real Estate	3.33	Germany
US Treasury Note 1.625% DEC 15 22	U.S. Governments	3.14	United States
Check Point Software Technologies Ltd	Information Technology	2.15	Israel
US Treasury Note 2.25% MAR 31 24	U.S. Governments	2.07	United States
Iberdrola SA	Utilities	2.06	Spain
iShares Physical Gold ETC ETF	ETFs	2.04	Ireland
Vonovia SE	Real Estate	2.04	Germany
Wolters Kluwer NV	Industrials	1.96	Netherlands
KDDI Corp	Communication Services	1.88	Japan
Sage Group PLC/The	Information Technology	1.62	United Kingdom

The top investment holdings above represent the average security weights for the top 15 securities in the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

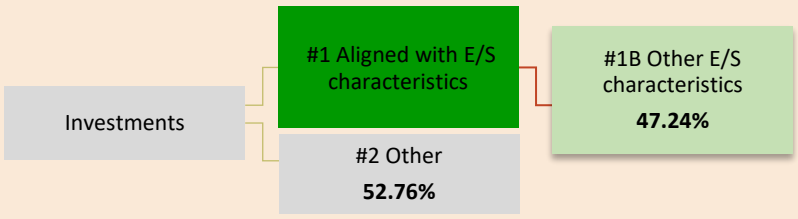
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The MFS Prudent Capital Fund aims to have at least 50% of the equity securities and 50% of the corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the MFS Prudent Capital Fund (i.e. # 1) from the Transition Date.

What was the asset allocation?

As of 31 January 2023, equity securities represented 58.88% and corporate debt instruments represented 10.84% of the total assets of the portfolio of the MFS Prudent Capital Fund; the remaining investments of 30.28% in the portfolio included non-corporate debt instruments, derivatives, cash and / or cash equivalent instruments; 68.64% of the equity securities in the portfolio of the MFS Prudent Capital Fund met at least one of the climate criteria, which represented 40.42% of the total assets of the portfolio; 62.92% of the corporate debt instruments in the portfolio of the MFS Prudent Capital Fund met at least one of the climate criteria, which represented 6.82% of the total assets of the portfolio; 47.24% of the total assets of the portfolio attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 52.76% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes. Corporate debt instruments percentages included in this report include any accrued interest amounts.



#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.

In which economic sectors were the investments made?

Sectors	% Average weight
U.S. Governments	27.87
Information Technology	13.23
Other	13.17
Communication Services	10.95
Corporate Debt	9.21
Real Estate	7.64
Industrials	7.61

Consumer Staples	5.40
Cash & Cash Equivalents	3.81
ETFs	2.57
Utilities	2.06
Consumer Discretionary	2.02
Financials	1.97
Mortgage-Backed Securities	1.72
Materials	1.25
Emerging Markets Debt	0.94
Equity Options	-0.26
Index Futures	-2.48
Index Options	-8.66

The sector holdings above represent the average sector weight for the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

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

Zero. The MFS Prudent Capital Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

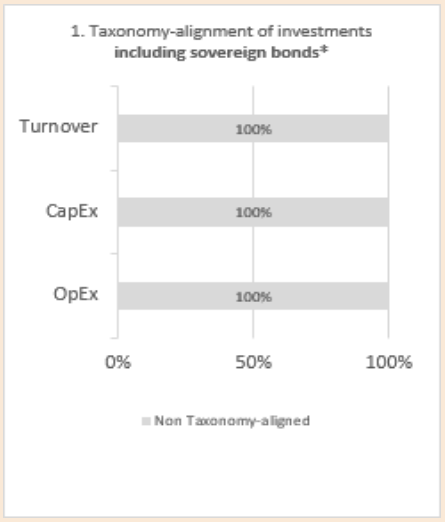
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?

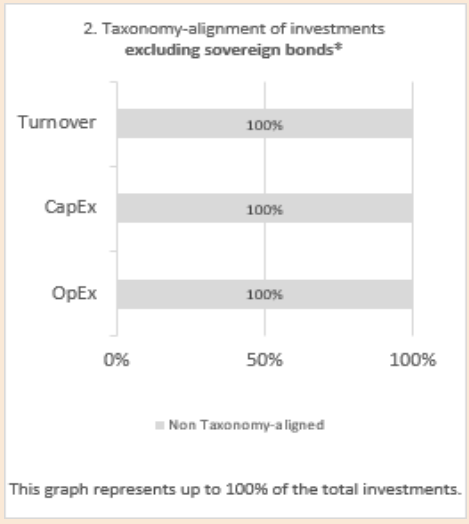
☐ Yes:

☐ In fossil fuel ☐ In nuclear energy

☒ No. The MFS Prudent Capital Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Zero. The MFS Prudent Capital Fund does not aim or commit to invest in transitional or enabling activities as defined under the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Zero. The MFS Prudent Capital Fund does not aim or commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of sustainable investments with a social objective?

Not applicable.

What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities and corporate debt instruments that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include non-corporate debt instruments, derivatives, cash and cash equivalent instruments.

What actions have been taken to meet the environmental and / or social characteristics during the reference period?

The MFS Prudent Capital Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform

Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM") - In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS assets under management will be considered in-scope, including investments in equity securities and the corporate debt instruments of the MFS Prudent Capital Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonization of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

Task Force on Climate related Financial Disclosures ("TCFD") – MFS became a signatory in 2019. In 2022, MFS produced its first annual report in line with the TCFD recommendations. This report demonstrates our progress in integrating climate-risk awareness into our business operations and investment strategy. The full report is available on www.mfs.com.

MFS Climate Letter – MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group – MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements and Proxy Voting - MFS Prudent Capital Fund

During the reporting period, MFS investment professionals conducted at least 8 engagements with issuers in the portfolio on climate related risks and opportunities including: Check Point Software, Danone, Iberdrola, LEG Immobilien SE, Q-Park Holding, and Warner Music Group. Topics engaged on include identification of climate change risk, transition risk, physical risk, and Net Zero / SBTi initiatives. MFS investment professionals assessed and voted FOR climate related shareholder proposals of the following issuers during the reporting period: Honeywell International, Charter Communications Inc. and Alphabet Inc. MFS investment professionals assessed and voted AGAINST climate related shareholder proposals of the following issuers during the reporting period: Amazon.com Inc., Comcast Corp, and Microsoft.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Link to access website disclosure:
https://www.mfs.com/content/mfs-enterprise/microsites/meridian/global/en/mfs-meridian-funds.html

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: MFS Meridian Funds – Global Concentrated Fund **("MFS Global Concentrated Fund")**
Legal entity identifier: BMRY0ZKI2EE3QEBKPG73

Environmental and/or social characteristics

Does this financial product have a sustainable investment?

Yes	No
☐ It will make a minimum of **sustainable investments with an environmental objective:**___%	☐ 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___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:**___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 31 December 2021, the MFS Global Concentrated Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the MFS Global Concentrated Fund will aim to have at least 50% of the equity securities in the portfolio invested in equity issuers that meet at least one of the three climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 31 January 2023, 82.50% of the equity securities in the portfolio of the MFS Global Concentrated Fund met at least one of the climate criteria, which represented 81.19% of the total assets. Equity securities represented 98.40% of the assets of the MFS Global Concentrated Fund as of 31 January 2023. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

This periodic disclosure relates to the period from 31 December 2021 to 31 January 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 1	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	69.12	68.02
30 November 2021	73.91	70.03

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities in the portfolio invested in equity issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 2	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	64.39	63.37
30 November 2021	67.20	66.38

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 3	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	0	0
30 November 2021	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
31 January 2023	82.50	81.19
30 November 2021	96.46	95.31



… and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do no 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.

The MFS Global Concentrated Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyze various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the MFS Global Concentrated Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available to investment professionals the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint**, **exposure to active in the fossil fuel sector**, **share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "**Additional Emissions Indicators**"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022. MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available to investment professionals the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** and **board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider

principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.

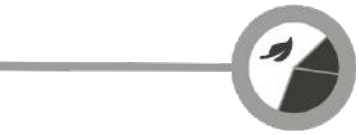


What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 31 December 2021 to 31 January 2023.

Largest investments	Sector	% Asset	Country
Thermo Fisher Scientific Inc	Health Care	6.30	United States
Visa Inc	Information Technology	6.01	United States
Accenture PLC	Information Technology	5.11	United States
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	5.10	France
Medtronic PLC	Health Care	4.95	United States
Canadian National Railway Co	Industrials	4.66	Canada
Roche Holding AG	Health Care	4.39	Switzerland
Goldman Sachs Group Inc	Financials	4.14	United States
Schneider Electric SE	Industrials	4.12	France
Diageo PLC	Consumer Staples	4.00	United Kingdom
Linde PLC	Materials	3.94	United States
Boston Scientific Corp	Health Care	3.80	United States
Honeywell International Inc	Industrials	3.74	United States
Nestle SA	Consumer Staples	3.64	Switzerland
Cie Financiere Richemont SA	Consumer Discretionary	3.63	Switzerland

The top investment holdings above represent the average security weights for the top 15 securities in the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



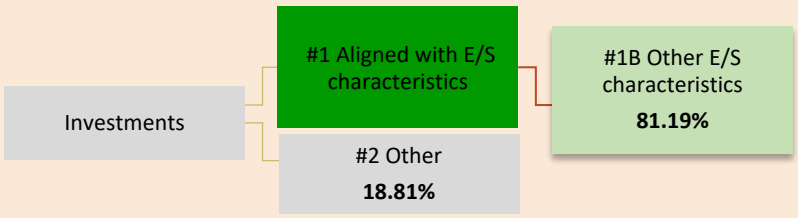
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The MFS Global Concentrated Fund aims to have at least 50% of the equity securities in the portfolio invested in equity issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the Global Concentrated Fund (i.e. # 1) from the Transition Date.

What was the asset allocation?

As of 31 January 2023, equity securities represented 98.40% of the total assets of the portfolio of the MFS Global Concentrated Fund; the remaining investments of the 1.60% portfolio included cash and / or cash equivalent instruments; 82.50% of the equity securities in the portfolio of the MFS Global Concentrated Fund met at least one of the climate criteria, which represented 81.19% of the total assets of the portfolio that attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 18.81% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.



#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.

In which economic sectors were the investments made?

Sectors	% Average weight
Health Care	22.19
Industrials	21.01
Information Technology	14.24
Consumer Staples	14.14
Communication Services	8.86
Consumer Discretionary	8.74
Materials	5.82
Financials	4.14
Cash & Cash Equivalents	0.80
Equity Warrants	0.15
Other	-0.08

The sector holdings above represent the average sector weight for the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

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

Zero. The MFS Global Concentrated Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

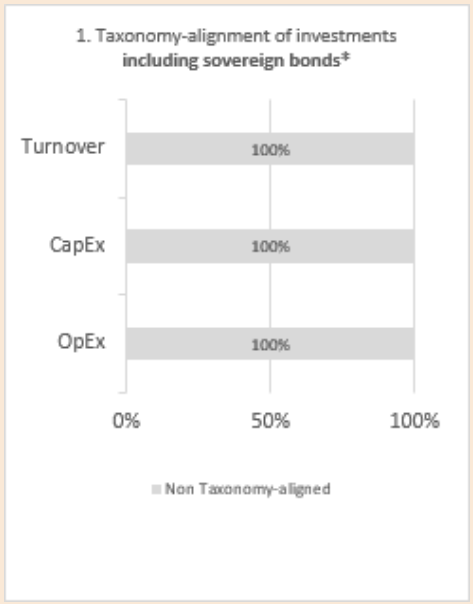
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?

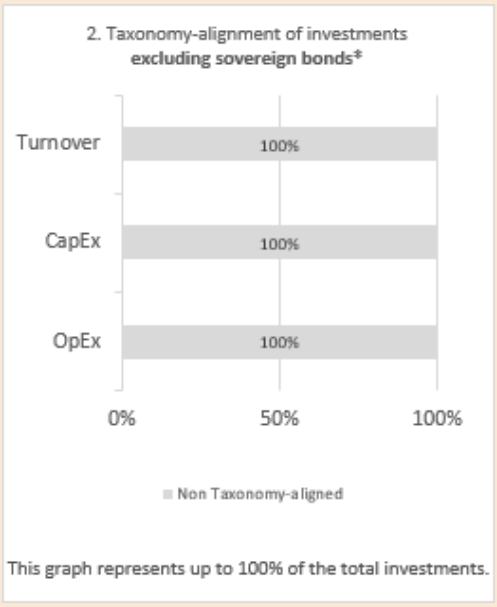
☐ Yes:

☐ In fossil fuel ☐ In nuclear energy

☒ No. The MFS Global Concentrated Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Zero. The MFS Global Concentrated Fund does not aim or commit to invest in transitional or enabling activities as defined under the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Zero. The MFS Global Concentrated Fund does not aim or commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of sustainable investments with a social objective?

Not applicable.

What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include cash and cash equivalent instruments.

What actions have been taken to meet the environmental and / or social characteristics during the reference period?

The MFS Global Concentrated Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM") - In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS assets under management will be considered in-scope, including investments in equity securities of the MFS Global Concentrated Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonization of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

Task Force on Climate related Financial Disclosures ("TCFD") – MFS became a signatory in 2019. In 2022, MFS produced its first annual report in line with the TCFD recommendations. This report demonstrates our progress in integrating climate-risk awareness into our business operations and investment strategy. The full report is available on www.mfs.com.

MFS Climate Letter – MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group – MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements and Proxy Voting - MFS Global Concentrated Fund

During the reporting period, MFS investment professionals conducted at least 5 engagements with issuers in the portfolio on climate related risks and opportunities including: Accenture PLC, Boston Scientific Corp, and Danone SA. Topics engaged on include identification of climate risk, climate transition risk, climate change physical risk and Net Zero/ SBTi initiatives. MFS investment professionals assessed and voted FOR management proposals on climate transition plans of the following issuer during the reporting period: Canadian National Railway Company. MFS investment professionals assessed and voted FOR climate related shareholder proposals of the following issuers during the reporting period: Honeywell International, Charter Communications, Inc and United Parcel Service, Inc. MFS investment professionals assessed and voted AGAINST climate related shareholder proposal of the following issuer during the reporting period: Comcast Corp.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Link to access website disclosure:
https://www.mfs.com/content/mfs-enterprise/microsites/meridian/global/en/mfs-meridian-funds.html

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: MFS Meridian Funds – Global Equity Fund **("MFS Global Equity Fund")**
Legal entity identifier: YAHWU2BYOY7SCHWC8I94

Environmental and/or social characteristics

Does this financial product have a sustainable investment?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:**___%	☐ 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___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:**___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 31 December 2021, the MFS Global Equity Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the MFS Global Equity Fund will aim to have at least 50% of the equity securities in the portfolio invested in equity issuers that meet at least one of the three climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 31 January 2023, 80.79% of the equity securities in the portfolio of the MFS Global Equity Fund met at least one of the climate criteria, which represented 80.10% of the total assets. Equity securities represented 99.14% of the assets of the MFS Global Equity Fund as of 31 January 2023. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

This periodic disclosure relates to the period from 31 December 2021 to 31 January 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 1	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	63.97	63.42
30 November 2021	69.34	68.94

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities in the portfolio invested in equity issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 2	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	65.39	64.83
30 November 2021	60.40	60.04

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities in the portfolio invested in equity issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 3	% of equity securities in the portfolio meeting this criterion	% of total assets in the portfolio meeting this criterion
31 January 2023	0	0
30 November 2021	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
31 January 2023	80.79	80.10
30 November 2021	86.59	86.09



… and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do no 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.

The MFS Global Equity Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.



Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyze various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the MFS Global Equity Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available to investment professionals the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint**, **exposure to active in the fossil fuel sector**, **share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "**Additional Emissions Indicators**"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022. MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available to investment professionals the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** and **board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply

principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.



What were the top investments of this financial product?

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 30 November 2021 to 31 January 2023.

Largest investments	Sector	% Asset	Country
Thermo Fisher Scientific Inc	Health Care	3.22	United States
Visa Inc	Information Technology	3.04	United States
Schneider Electric SE	Industrials	2.77	France
Roche Holding AG	Health Care	2.76	Switzerland
Linde PLC	Materials	2.59	United States
Medtronic PLC	Health Care	2.55	United States
Accenture PLC	Information Technology	2.54	United States
Nestle SA	Consumer Staples	2.46	Switzerland
Comcast Corp	Communication Services	2.46	United States
LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.33	France
Diageo PLC	Consumer Staples	2.24	United Kingdom
Honeywell International Inc	Industrials	2.13	United States
Canadian Pacific Railway Ltd	Industrials	2.12	Canada
Goldman Sachs Group Inc	Financials	1.85	United States
Canadian National Railway Co	Industrials	1.81	Canada

The top investment holdings above represent the average security weights for the top 15 securities in the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.



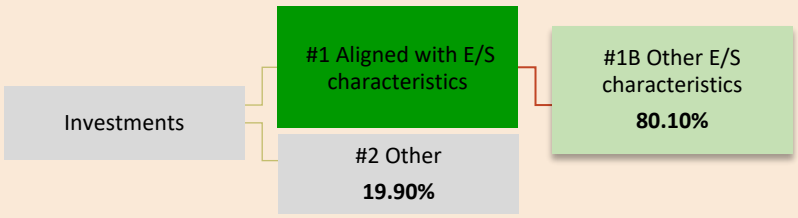
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The MFS Global Equity Fund aims to have at least 50% of the equity securities in the portfolio invested in equity issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the MFS Global Equity Fund (i.e. # 1) from the Transition Date.

What was the asset allocation?

As of 31 January 2023, equity securities represented 99.14% of the total assets of the portfolio of the MFS Global Equity Fund; the remaining investments of 0.86% the portfolio included cash and / or cash equivalent instruments; 80.79% of the equity securities in the portfolio of the MFS Global Equity Fund met at least one of the climate criteria, which represented 80.10% of the total assets of the portfolio that attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 19.90% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes.



#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.

In which economic sectors were the investments made?

Sectors	% Average weight
Health Care	19.83
Industrials	18.56
Information Technology	14.64
Consumer Staples	13.43
Financials	11.24
Consumer Discretionary	7.88
Communication Services	6.95
Materials	6.51
Cash & Cash Equivalents	0.94
Equity Warrants	0.05
Other	-0.03

The sector holdings above represent the average sector weight for the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

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

Zero. The MFS Global Equity Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

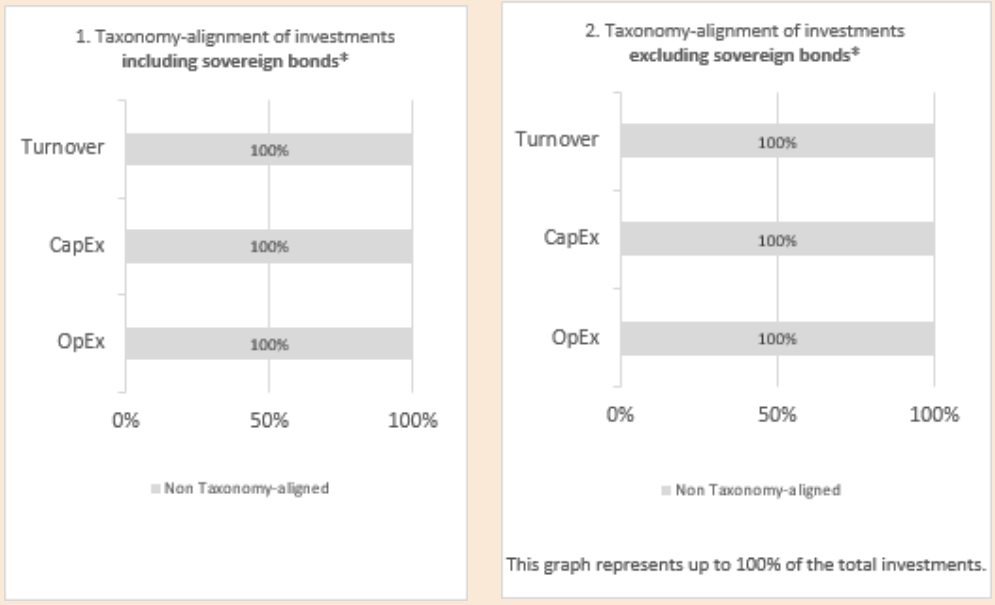
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?

☐ Yes:

☐ In fossil fuel ☐ In nuclear energy

✖ No. The MFS Global Equity Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Zero. The MFS Global Equity Fund does not aim or commit to invest in transitional or enabling activities as defined under the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Zero. The MFS Global Equity Fund does not aim or commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of sustainable investments with a social objective?

Not applicable.

What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the

climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include cash and cash equivalent instruments.

What actions have been taken to meet the environmental and / or social characteristics during the reference period?

The MFS Global Equity Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM") - In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS assets under management will be considered in-scope, including investments in equity securities of the MFS Global Equity Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning
- 2040 – 100% of in scope AUM is considered net zero aligned.
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The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonization of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

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MFS Climate Letter – MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group – MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements and Proxy Voting - MFS Global Equity Fund

During the reporting period, MFS investment professionals conducted at least 15 engagements with issuers in the portfolio on climate related risks and opportunities including: Accenture PLC, Boston Scientific Corp, Check Point Software Technologies Ltd, Colgate-Palmolive, Danone SA, Heineken NV, Hoya Corp, PPG Industries Inc, Rolls-Royce Holdings PLC, Union Pacific Corp, and Whitbread PLC. Topics engaged on include identification of climate change risk, transition risk, climate scenario analysis, and Net Zero / SBTi initiatives. MFS investment professionals assessed and voted FOR management proposals on climate transition plans of the following issuers during the reporting period: Aena S.M.E. SA, UBS Group, Canadian Pacific Railway, London Stock Exchange Group plc and Canadian National Railway Company. MFS investment professionals assessed and voted FOR climate related shareholder proposals of the following issuers during the reporting period: Honeywell International and United

Parcel Service, Inc. MFS investment professionals assessed and voted AGAINST climate related shareholder proposal of the following issuer during the reporting period: Comcast Corp.



How did this financial product perform compared to the reference benchmark?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Link to access website disclosure:
https://www.mfs.com/content/mfs-enterprise/microsites/meridian/global/en/mfs-meridian-funds.html

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: MFS Meridian Funds – Prudent Wealth Fund **("MFS Prudent Wealth Fund")**
Legal entity identifier: 549300LM7K1F8VSRZS66

Environmental and/or social characteristics

Does this financial product have a sustainable investment?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:**___%	☐ 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___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:**___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics are promoted by this financial product met?

Effective 31 December 2021, the MFS Prudent Wealth Fund promoted the MFS Low Carbon Transition Characteristic, which refers to the transition to a low carbon economy that MFS as an allocator of capital will promote through active engagement and the application of climate criteria to certain investments made by this product. In particular, the MFS Prudent Wealth Fund will aim to have at least 50% of the equity securities and 50% of the corporate debt instruments (as applicable) in the portfolio invested in equity issuers and corporate debt issuers that meet at least one of the four climate criteria (see below) from 1 January 2027 (the "Transition Date").

As of 31 January 2023: 60.92% of the equity securities in the portfolio of the MFS Prudent Wealth Fund met at least one of the climate criteria, which represented 41.12% of the total assets; 100% of the corporate debt instruments in the portfolio of the MFS Prudent Wealth Fund met at least one of the climate criteria, which represented 1.14% of total assets. Equity securities represented 67.51% and corporate debt instruments represented 1.14% of the assets of the MFS Prudent Wealth Fund as of 31 January 2023. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes. Corporate debt instruments percentages included in this report include any accrued interest amounts.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

This periodic disclosure relates to the period from 31 December 2021 to 31 January 2023.

Climate Criterion 1 - Measuring GHG intensity of equity issuers and corporate debt issuers: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that reduced their annual GHG intensity in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 1	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	39.18	26.45
30 November 2021	67.01	37.0

Climate Criterion 1	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	100	1.14
30 November 2021	100	0.90

Climate Criterion 2 - Measuring recognised GHG emissions reduction or stabilization program: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that have adopted such programs in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 2	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	54.86	37.04
30 November 2021	43.80	24.20

Climate Criterion 2	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	30.70	0.35
30 November 2021	33.1	0.28

Climate Criterion 3 - Measuring 'net-zero' issuers: the percentage (%) of equity securities and corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers that are operating at 'net-zero' determined in accordance with the methodology set out in the website disclosure (see link below).

Climate Criterion 3	**% of equity securities in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	0	0
30 November 2021	0	0

Climate Criterion 3	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	0	0
30 November 2021	0	0

Climate Criterion 4 – Measuring activities that facilitate transition to a low carbon economy: the percentage (%) of corporate debt instruments in the portfolio invested in corporate debt issuers that have committed to use the proceeds raised to finance climate change adaptation and / or mitigation activities or to attain a reduction in GHG emissions determined in accordance with the methodology in the website disclosure (see link below).

Climate Criterion 4	**% of corporate debt instruments in the portfolio meeting this criterion**	**% of total assets in the portfolio meeting this criterion**
31 January 2023	0	0
30 November 2021	0	0

Compliance with climate criteria – measuring the percentage (%) of equity securities in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of equity securities in the portfolio meeting any criteria	% of total assets in the portfolio meeting this criterion
31 January 2023	60.92	41.12
30 November 2022	76.12	42.03

Compliance with climate criteria – measuring the percentage (%) of corporate debt instruments in the portfolio that complied with at least one of Climate Criterion 1, 2 and / or 3 in accordance with the methodology set out in the website disclosure (see link below).

Climate Criteria	% of corporate debt instruments in the portfolio meeting any criteria	% of total assets in the portfolio meeting any criteria
31 January 2023	100	1.14
30 November 2022	100	0.90



… and compared to previous periods?

Not applicable.

What were the objectives of the sustainable investments that the financial product partially intends to make and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do no 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.

The MFS Prudent Wealth Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

MFS believes that integrating financially material sustainability (environmental, social and governance or ESG) factors into investment analysis and decision-making processes leads to better informed decision-making which will drive investment returns over the long term. MFS investment professionals across the MFS Global Integrated Research Platform have access to proprietary interactive dashboards which allow them to visualize and analyze various ESG data elements, including the principal adverse impact indicators set out below. These ESG data elements are intended to enable MFS investment professionals to better understand and assess the financial impact of sustainability (ESG) factors on issuers and the portfolio, the negative external impact of issuers and the portfolio on sustainability (ESG) factors, and make informed long term investment decisions that are consistent with the financial investment objective of the MFS Prudent Wealth Fund.

To complement the promotion of the MFS Low Carbon Transition Characteristic which incorporates the **GHG emissions** (scope 1 and 2, and 3 where available) and **GHG intensity of investee companies** principal adverse impact indicators, MFS also makes available to investment professionals the following additional greenhouse gas emissions principal adverse impact indicators: **carbon footprint**, **exposure to active in the fossil fuel sector**, **share of non-renewable energy consumption and production and energy consumption intensity per high impact climate sector** (collectively, the "**Additional Emissions Indicators**"). At a portfolio level, MFS investment professionals considered these Additional Emissions Indicators alongside the MFS Low Carbon Transition Characteristic and underlying climate criteria from July 2022. MFS investment professionals will use the Additional Emissions Indicators as part of their broader assessment to address the readiness of issuers to transition their activities towards a low carbon economy and will engage with issuers consistent with the MFS Low Carbon Transition Characteristic. MFS also makes available to investment professionals the following social principal adverse impact indicators: **violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises** and **board gender diversity**. MFS investment professionals will consider these indicators within their broader ESG integration framework in the investment process to assess financial materiality and also their engagement practices. In partnership with our global stewardship team and our team of ESG specialists, MFS assesses and addresses the potential adverse impact of companies assessed at the portfolio level through its engagement approach, which may include direct engagement, proxy voting and industry collaborations (as appropriate).

Sustainability issues are complex, interconnected and evolving. MFS believes that the materiality of principal adverse impacts cannot be reduced to an automated process. The consideration of principal adverse impacts by MFS investment professionals for financial materiality is generally subjective and often involves considering risks or opportunities that are intangible and hard to measure. Their analysis will therefore be in-depth, qualitative, issuer-specific and contextual. MFS investment professionals retain flexibility to consider the principal adverse impacts within different points of the investment process and engagement activities, and the extent to which MFS investment professionals consider principal adverse impact indicators may vary. Importantly, MFS investment professionals do not apply principal adverse impact indicators as the basis for exclusions or screens, nor would these indicators be used within a purely quantitative portfolio optimization framework. As principal adverse indicators are considered at the portfolio level, MFS investment professionals will engage with certain issuers in the portfolio with respect to issues that are considered to be financially material and not engage with every issuer within the portfolio.

What were the top investments of this financial product?

Largest investments	Sector	% Asset	Country
US Treasury Note Sep 30 23	U.S. Governments	4.87	United States
US Treasury Note Jun 30 23	U.S. Governments	4.69	United States
US Treasury Note Mar 15 23	U.S. Governments	4.66	United States
US Treasury Note Dec 31 23	U.S. Governments	3.36	United States
LEG Immobilien SE	Real Estate	3.12	Germany
US Treasury Note Dec 15 22	U.S. Governments	3.06	United States
Alphabet Inc Class A	Communication Services	2.90	United States
iShares Physical Gold ETC ETF	ETFs	2.28	Ireland
Iberdrola SA	Utilities	2.04	Spain
US Treasury Note Mar 31 24	U.S. Governments	1.97	United States

The list includes investments constituting the greatest proportion of investments of the financial product during the reference period which is 31 December 2021 to 31 January 2023.

Check Point Software Technologies Ltd	Information Technology	1.82	Israel
KDDI Corp	Communication Services	1.81	Japan
Serco Group PLC	Industrials	1.62	United Kingdom
Wolters Kluwer NV	Industrials	1.45	Netherlands
Sage Group PLC	Information Technology	1.44	United Kingdom

The top investment holdings above represent the average security weights for the top 15 securities in the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods. Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

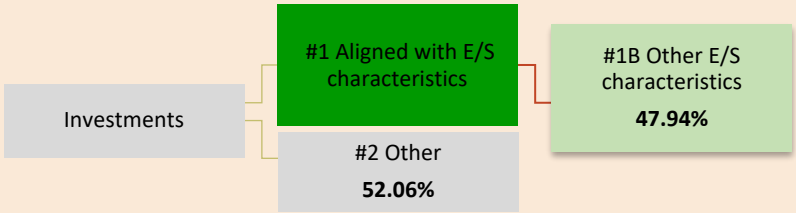
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The MFS Prudent Wealth Fund aims to have at least 50% of the equity securities and 50% of the corporate debt instruments in the portfolio invested in equity issuers and corporate debt issuers meeting at least one of the climate criteria from the Transition Date and therefore aligned with the E/S characteristics promoted by the MFS Prudent Wealth Fund (i.e. # 1) from the Transition Date.

What was the asset allocation?

As of 31 January 2023, equity securities represented 67.51% and corporate debt instruments represented 1.14% of the total assets of the portfolio of the MFS Prudent Wealth Fund; the remaining investments of the portfolio included non-corporate debt instruments, derivatives, cash and / or cash equivalent instruments; 60.92% of the equity securities in the portfolio of the MFS Prudent Wealth Fund met at least one of the climate criteria, which represented 41.12% of the total assets of the portfolio; 62.92% of the corporate debt instruments in the portfolio of the MFS Prudent Wealth Fund met at least one of the climate criteria, which represented 6.82% of the total assets of the portfolio; 47.94% of the total assets of the portfolio attained the MFS Low Carbon Transition Characteristic (which did not qualify as sustainable investments); 52.06% of the total assets were not aligned with the MFS Low Carbon Transition Characteristic or qualified as sustainable investments. Please note that percentages of total assets may differ from the financial statements included in the Shareholder Annual Report due to certain adjustments which have been made for reporting purposes. Corporate debt instruments percentages included in this report include any accrued interest amounts.



#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.

In which economic sectors were the investments made?

Sectors	% Average weight
U.S. Governments	27.53
Other	21.12
Information Technology	12.69
Real Estate	11.03
Communication Services	10.33
Industrials	9.65
Consumer Staples	5.66
Cash & Cash Equivalents	4.31
Consumer Discretionary	3.74
ETFs	2.87
Materials	2.64
Financials	2.60
Utilities	2.04
Corporate Debt	1.03
Health Care	0.74
Equity Options	-0.22
Index Futures	-2.47
Index Options	-15.29

The sector holdings above represent the average sector weight for the portfolio at the end of the 31 March 2022, 30 June 2022, 30 September 2022 and 31 December 2022 quarter end periods.] Weights are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. Sectors shown are based on the Global Industry Classification Standard (GICS®) sectors and MFS classifications. GICS was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"). GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by MFS. MFS has applied its own internal sector/industry classification methodology for equity securities and non-equity securities that are unclassified by GICS.

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee.

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

Zero. The MFS Prudent Wealth Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

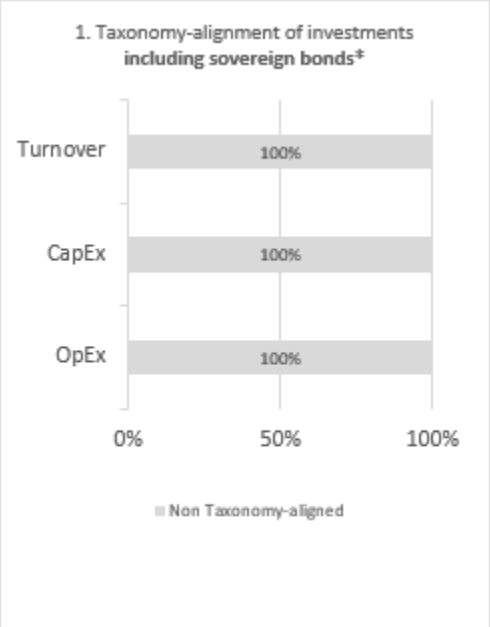
Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy?

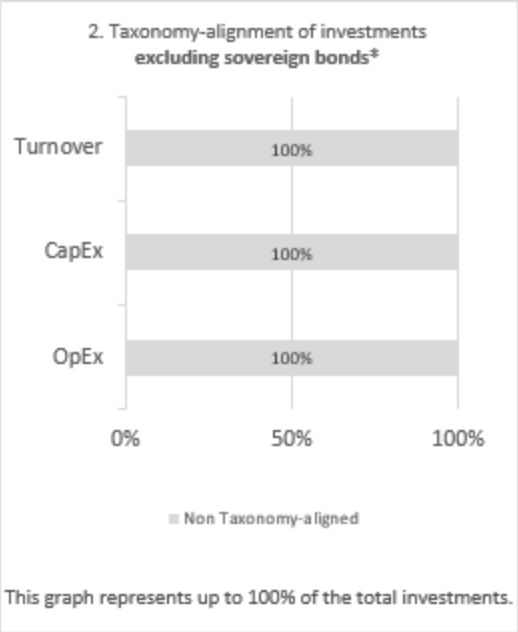
☐ Yes:

☐ In fossil fuel ☐ In nuclear energy

☒ No. The MFS Prudent Wealth Fund does not commit to make investments aligned with the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

Zero. The MFS Prudent Wealth Fund does not aim or commit to invest in transitional or enabling activities as defined under the EU Taxonomy.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Zero. The MFS Prudent Wealth Fund does not aim or commit to invest in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of sustainable investments with a social objective?

Not applicable.

What investments were included under "#2 Other", what was their purpose and were there any minimum environmental or social safeguards?

For those equity securities and corporate debt instruments that do not adhere to the climate criteria of the MFS Low Carbon Transition Characteristic, MFS investment professionals will continue to actively engage with these issuers on the climate criteria. The remaining portfolio held instruments not subject to the MFS Low Carbon Transition Characteristic which may include non-corporate debt instruments, derivatives, cash and cash equivalent instruments.

What actions have been taken to meet the environmental and / or social characteristics during the reference period?

The MFS Prudent Wealth Fund is managed by MFS investment professionals operating within the MFS integrated global research platform. As well as supporting strategy level investment analysis and decision making, certain initiatives are undertaken at the platform level for all MFS portfolios ("Platform Initiatives"). Information on Platform Initiatives that support the MFS Low Carbon Transition Characteristic are included below.

Platform Initiatives

Net Zero Assets Managers ("NZAM") - In 2021, MFS joined NZAM initiative. As a signatory, MFS is required to commit a portion of AUM that will align to net zero principles. In May 2022, MFS published interim and long-term targets to align with the Net Zero Asset Managers initiative. As of 2022, 90% of total MFS assets under management will be considered in-scope, including investments in equity securities and corporate debt instruments of the MFS Prudent Wealth Fund.

MFS interim and long-term targets:

- 2030 – 90% of in scope AUM is considered net zero aligned or aligning
- 2040 – 100% of in scope AUM is considered net zero aligned.
- 2050 – 100% of AUM is considered 'achieving net zero'.

The MFS approach is predicated on the belief that engaging investee companies across all industry sectors to transition in line with the decarbonization of the global economy will reduce the overall climate-related financial risks within our clients' investment portfolios. We believe this approach will help to influence positive change, is in the best interest of clients and aligned with our purpose of creating long-term value responsibly.

Task Force on Climate related Financial Disclosures ("TCFD") – MFS became a signatory in 2019. In 2022, MFS produced its first annual report in line with the TCFD recommendations. This report demonstrates our progress in integrating climate-risk awareness into our business operations and investment strategy. The full report is available on www.mfs.com.

MFS Climate Letter – MFS wrote to 700 issuers that represent our largest and highest emitting portfolio holdings. This letter outlined MFS' support of the Paris Agreement and the goal of limiting temperature increases to below 1.5° Celsius relative to pre-industrial levels. MFS requested these issuers to disclose carbon and related data, plan strategies to reduce their impacts, and act on those strategies in both the short and intermediate terms.

MFS Climate Working Group – MFS established an internal climate working group with the goal of engaging the broader MFS investment professionals on climate change and environmental impact within the MFS investment process and corporate engagement activity. Recent activities during the reporting period include the following: developed an internal climate framework that is Paris aligned, across all sectors, geographies and asset classes; ongoing integration of climate consideration and process across the MFS integrated global research platform; collaborating externally with groups such as NZAM, Climate Action 100+ and other initiatives.

Engagements and Proxy Voting - MFS Prudent Wealth Fund

During the reporting period, MFS investment professionals conducted at least 6 engagements with issuers in the portfolio on climate related risks and opportunities including: Check Point Software, Danone, Iberdrola, and LEG Immobilien SE. Topics engaged on include identification of climate change risk, transition risk, and Net Zero / SBTi initiatives. MFS investment professionals also assessed and voted FOR climate related shareholder proposals of the following issuers during the reporting period: Charter Communications Inc. and Alphabet Inc. MFS investment professionals also assessed and voted AGAINST climate related shareholder proposals of the following issuers during the reporting period: Booking Holdings inc. and Microsoft.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

Not applicable.

Link to access website disclosure:
https://www.mfs.com/content/mfs-enterprise/microsites/meridian/global/en/mfs-meridian-funds.html

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022

Informativa periodica per i prodotti finanziari di cui all'Articolo 8, paragrafi 1, 2 e 2a del Regolamento (UE) 2019/2088 e Articolo 6, primo paragrafo, del Regolamento (UE) 2020/852

Nome del prodotto: **US Advantage Fund**

Identificativo dell'entità legale: **2NPFP4LYIICQVCUT1Q64**

Periodo di riferimento: **dal 16 maggio 2022 al 31 dicembre 2022**

La classificazione di questo fondo quale Articolo 8 ai sensi dell'SFDR è entrata in vigore il 16 maggio 2022
Salvo altrimenti dichiarato, i seguenti valori sono stati calcolati in base agli investimenti del Fondo al 30 dicembre 2022

Caratteristiche ambientali e sociali

Investimento sostenibile indica un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che l'investimento non danneggi in misura significativa qualsiasi obiettivo ambientale o sociale e che le società partecipate adottino buone pratiche di governance.

La **Tassonomia UE** è un sistema di classificazione descritto nel Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Questo Regolamento non include alcun elenco di attività economiche socialmente sostenibili. Un investimento sostenibile con un obiettivo ambientale potrebbe non essere allineato alla Tassonomia.

Questo prodotto finanziario ha un obiettivo d'investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale: ___%**	☐ Ha **promosso caratteristiche ambientali/sociali (E/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota di investimenti sostenibili pari a ___%
☐ in attività economiche qualificate come ecosostenibili ai sensi della Tassonomia UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia UE
☐ in attività economiche non qualificate come ecosostenibili ai sensi della Tassonomia UE	☐ con un obiettivo ambientale in attività economiche non considerate ecosostenibili conformemente alla Tassonomia UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale: ___%**	☒ Ha promosso caratteristiche E/S ma **non ha effettuato alcun investimento sostenibile**

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

Fino a che punto le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario sono state soddisfatte?

Durante il periodo di riferimento il Fondo ha promosso le seguenti caratteristiche ambientali e sociali:

- Il Fondo ha promosso la caratteristica ambientale della limitazione delle esternalità ambientali, evitando investimenti in carbone termico; e
- il Fondo ha promosso la caratteristica sociale di evitare investimenti in alcune attività che possono nuocere alla salute e al benessere dell'uomo, come il tabacco e alcuni tipi di armi, tra cui armi da fuoco ad uso civile, munizioni a grappolo e mine antiuomo.

Maggiori dettagli sulla natura di queste esclusioni sono riportati di seguito (in risposta alla domanda "Quale è stata la performance degli indicatori di sostenibilità?").

Non vi sono state eccezioni alla realizzazione da parte del Fondo delle sue caratteristiche ambientali e sociali.

Indicatori di sostenibilità misurano come sono realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Quale è stata la performance degli indicatori di sostenibilità?

Indicatore di sostenibilità	Soglia dell'indicatore	Valore dell'indicatore 2022
Esclusioni – Emittenti societari:		
% investita dal Fondo in società il cui sottosettore GICS è:		
Tabacchi	0,00%	0,00%
Carbone e combustibili di consumo	0,00%	0,00%
% investita dal Fondo in società che traggono profitto da:		
Tabacco (>5% dei ricavi dell'anno recente)	0,00%	0,00%
Carbone termico (>10% dei ricavi dell'anno recente)	0,00%	0,00%
Manifattura di armi da fuoco e munizioni per uso civile (>10% dei ricavi dell'anno recente)	0,00%	0,00%
% del Fondo investita in società coinvolte tramite la proprietà societaria nella produzione di sistemi fondamentali per le armi o componenti/servizi fondamentali per le armi considerati come personalizzati ed essenziali per l'uso letale di munizioni a grappolo e mine antiuomo	0,00%	0,00%

La Tassonomia UE stabilisce un principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati alla Tassonomia non dovrebbero arrecare danni significativi agli obiettivi della Tassonomia ed è accompagnata da criteri UE specifici.

Il principio di "non arrecare un danno significativo" si applica unicamente agli investimenti sottostanti del prodotto finanziario che tengono conto dei criteri UE per attività economiche ecosostenibili. Gli investimenti sottostanti della quota restante di questo prodotto finanziario non tengono conto dei criteri UE in materia di attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare danni significativi a qualsiasi obiettivo ambientale o sociale.

Il Regolamento richiede l'inclusione di queste dichiarazioni nel presente documento. Tuttavia, per evitare qualsiasi dubbio, questo Fondo non ha tenuto e non tiene conto dei criteri UE per attività economiche ecosostenibili nella Tassonomia UE.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Come sono stati considerati da questo prodotto finanziario gli impatti negativi più importanti sui fattori di sostenibilità?

Il Fondo ha preso in considerazione i seguenti principali effetti negativi sui fattori di sostenibilità mediante le opportune esclusioni:

il Fondo ha escluso emittenti che traggono una determinata percentuale di ricavi dall'estrazione di carbone. Pertanto, il Fondo ha tenuto parzialmente conto dell'indicatore n° 4, e cioè dell'esposizione ad aziende operanti nel settore dei combustibili fossili.

Il Fondo ha escluso emittenti coinvolti nella produzione dei meccanismi principali di munizioni a grappolo e mine antiuomo. Pertanto, il Fondo ha tenuto parzialmente conto dell'indicatore n° 14, e cioè l'esposizione alle armi controverse.

Dove il Consulente per gli Investimenti ha ritenuto che gli indicatori dei principali effetti negativi sotto elencati fossero particolarmente rilevanti per le attività di un emittente, ovvero significativamente impattati da queste, ha tenuto conto anche dei seguenti effetti negativi sui fattori di sostenibilità. Allo scopo, il Consulente per gli Investimenti ha provveduto a:

- integrare analisi ESG nel processo di ricerca e/o
- interloquire con gli organi dirigenti delle imprese beneficiarie.

I principali effetti negativi presi in considerazione sono:

Indicatore dei principali effetti negativi n° 1: Emissioni di gas serra (GHG).

Indicatore dei principali effetti negativi n° 3: Intensità di emissioni GHG.

Indicatore dei principali effetti negativi n° 5: consumo e produzione di energia da fonti non rinnovabili; e

Indicatore dei principali effetti negativi n° 6: intensità del consumo energetico in settori ad alto impatto climatico.



Quali sono stati gli investimenti principali di questo prodotto finanziario?

Sono compresi nell'elenco gli investimenti che costituiscono **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 52,96%

Titolo	Settore	% attivi	Paese
Snowflake, Inc. 'A'	Informatica	7,30%	Stati Uniti d'America
Uber Technologies, Inc.	Prodotti industriali	7,09%	Stati Uniti d'America
Royalty Pharma plc 'A'	Sanità	6,91%	Stati Uniti d'America
ASML Holding NV, NYRS	Informatica	6,43%	Paesi Bassi
Shopify, Inc. 'A'	Informatica	5,60%	Canada
Trade Desk, Inc. (The) 'A'	Servizi di comunicazione	5,50%	Stati Uniti d'America
Cloudflare, Inc. 'A'	Informatica	5,24%	Stati Uniti d'America
Amazon.com, Inc.	Beni di lusso	4,48%	Stati Uniti d'America
Datadog, Inc. 'A'	Informatica	4,41%	Stati Uniti d'America

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

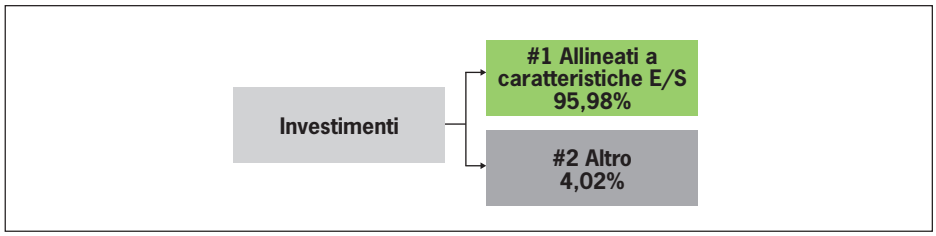
Qual era la quota di investimenti correlati alla sostenibilità?

95,98% degli investimenti del Fondo ha realizzato le caratteristiche ambientali e sociali promosse dal Fondo. Il resto degli investimenti erano investimenti per strumenti liquidi detenuti ai fini di liquidità accessoria e derivati detenuti a fini di copertura, che non avevano realizzato le caratteristiche ambientali e sociali promosse durante il periodo di riferimento e non erano soggetti a qualsiasi salvaguardia minima ambientale o sociale.

Il Fondo non ha effettuato alcun investimento sostenibile ai sensi del Regolamento sull'Informativa per la finanza sostenibile ("SFDR").

Quale è stata l'allocazione degli attivi?

L'**Allocazione degli attivi** descrive la quota di investimenti in attivi specifici.



#1 Allineati a caratteristiche E/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altro comprende gli investimenti restanti del prodotto finanziario non allineati alle caratteristiche ambientali o sociali e non qualificati quali investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	% attivi
Informatica	37,07%
Beni di lusso	17,66%
Servizi di comunicazione	15,66%
Sanità	12,78%
Prodotti industriali	9,32%
Materiali	1,82%
Finanziari	1,67%
Esplorazione, attività mineraria, estrazione, produzione, trattamento, stoccaggio, raffinazione o distribuzione, inclusi trasporto, stoccaggio e commercio di combustibili fossili	0,00%

Nella tabella qui sopra sono riportati solo investimenti effettuati dal Fondo, ed esclusi altri attivi del Fondo, ad esempio liquidità e strumenti di copertura.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia UE?

Il Consulente per gli investimenti non ha tenuto conto della Tassonomia UE nella gestione del Fondo. Nessun investimento del Fondo che promuoveva caratteristiche ambientali è stato valutato dal Consulente per gli investimenti come allineato alla Tassonomia UE durante il periodo di riferimento.

Ai fini di conformità con la Tassonomia UE, i criteri relativi ai gas fossili includono limitazioni delle emissioni e passaggio a energia rinnovabile o carburanti a basse emissioni di carbonio entro la fine del 2035. **Per l'energia nucleare,** i criteri includono norme esaustive relative alla sicurezza e gestione delle scorie.

Attività abilitatrici abilitano direttamente altre attività per apportare un contributo concreto a un obiettivo ambientale.

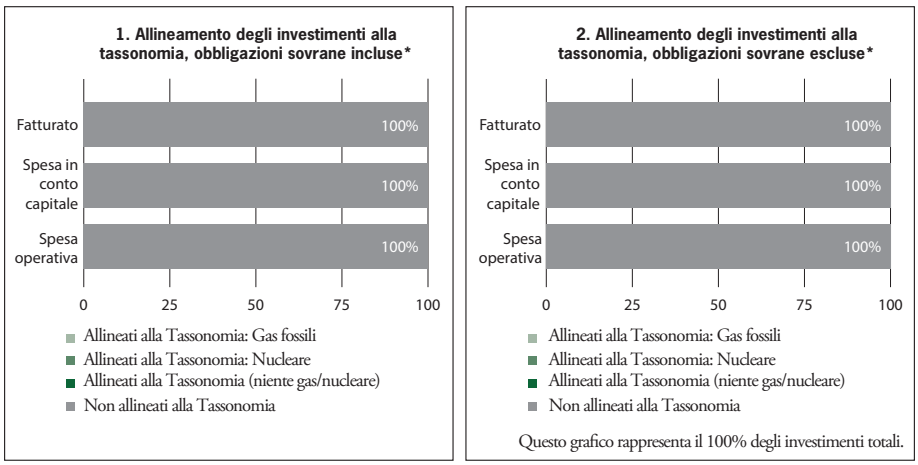
Attività transizionali sono attività economiche per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e i cui livelli di emissione di gas con effetto serra corrispondono alla performance migliore.

Il prodotto finanziario ha investito in attività correlate a gas fossili e/o energia nucleare conformi alla Tassonomia UE[1]?

☐ Sì

☑ No

I grafici qui avanti indicano in verde la percentuale degli investimenti allineati alla Tassonomia UE. Non essendoci alcuna metodologia appropriata per stabilire l'allineamento alla tassonomia di obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto diversi da obbligazioni sovrane.



Ai fini di questi grafici, le "obbligazioni sovrane" sono tutte le esposizioni sovrane.

[1] Attività legate a gas fossili e/o nucleare saranno conformi alla Tassonomia UE solo laddove contribuiscano alla limitazione del cambiamento climatico ("mitigazione del cambiamento climatico") e non arrechino seri danni a qualsiasi obiettivo della Tassonomia UE – cfr. Nota esplicativa nel margine a sinistra. Si può trovare una descrizione completa dei criteri relativi ad attività legate a gas fossili ed energia nucleare conformi alla Tassonomia UE nel Regolamento delegato delle Commissioni (UE) 2022/1214.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Le attività allineate alla tassonomia sono espresse come una quota di:

– **fatturato** riflette quanto le società partecipate siano "verdi" oggi.

– **spesa in conto capitale** (CapEx) mostra gli investimenti verdi effettuati dalle società partecipate, rilevanti per una transizione a un'economia verde.

– **spesa operativa** (OpEx) riflette le attività operative verdi delle società partecipate.

Quale era la quota di investimenti effettuati in attività transizionali e abilitatrici?

Il Fondo non ha effettuato alcun investimento in attività valutate dal Consulente per gli investimenti come transizionali o abilitatrici secondo la Tassonomia UE.



Quali investimenti erano inclusi tra gli "altri", quale era la loro finalità e vi erano salvaguardie ambientali o sociali minime?

4,02% degli investimenti del Fondo non era allineato alle caratteristiche ambientali e sociali del Fondo, ed è stato quindi incluso nella categoria "Altro". Questi investimenti erano costituiti da strumenti liquidi detenuti ai fini di una liquidità accessoria e derivati detenuti a fini di copertura e non erano soggetti a qualsiasi salvaguardia minima ambientale o sociale.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Quali azioni sono state adottate per soddisfare caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Durante il periodo di riferimento, il Consulente per gli Investimenti ha monitorato l'universo di investimento conformemente alle caratteristiche ambientali e sociali del Fondo, allo scopo di evitare qualsiasi nuovo investimento in società coinvolte in attività escluse o investimenti in società già in portafoglio che hanno avviato attività escluse. Il Consulente di investimento si è inoltre impegnato con la dirigenza della società su questioni specifiche per ciascuna attività con un focus su rischi e opportunità ESG concreti che potrebbero influire sul valore dei titoli di una società.

Il Consulente per gli Investimenti ha utilizzato il proprio Schema "SR Tailwinds" per classificare le attività economiche delle società partecipate (ad esempio l'allocazione di risorse o la produzione di beni e servizi) in base a criteri di sostenibilità (come il Tailwind 5: Efficienza delle risorse, Opportunità upstream). Ciò ha permesso al team di investimento di capire se le società partecipate stiano creando valore finanziario ed esternalità positive che possono apportare un beneficio sociale. Questo schema organizzativo ha inoltre aiutato il team di investimento a categorizzare e descrivere meglio gli elementi positivi o negativi per il valore di una società dovuti all'effetto della sua attività sulle persone, il pianeta o i sistemi.

Il Consulente per gli Investimenti ha stabilito l'allineamento approssimativo dei ricavi per ogni società nel portafoglio e i rispettivi SR Tailwind per aiutare a valutare l'effettiva opportunità offerta dai tailwind per ogni partecipazione, che dovrebbe a sua volta aiutare il Consulente per gli Investimenti a comprendere la prevalenza di ciascun SR Tailwind a livello del portafoglio. Quest'analisi è stata effettuata in aggiunta all'analisi tradizionale dei fondamentali e delle attività di stewardship.

Limitazioni dei dati

Generalmente Morgan Stanley Investment Management utilizza svariate fonti di dati e l'analisi interna quali input nei suoi processi ESG. Possono essere inclusi dati ottenuti da fonti esterne, anche per redigere le informative in questa relazione. Tali dati possono essere soggetti a limitazioni metodologiche e a ritardi, vuoti di copertura o altre questioni con un impatto sulla qualità dei dati. Le informazioni correlate a fattori ESG, comprese quelle ottenute da fornitori esterni, si basano spesso su determinazioni qualitative o soggettive, e le singole fonti dei dati potrebbero di per sé non presentare un quadro completo relativo alle metriche ESG rappresentate. Si possono anche verificare discrepanze minime nei dati riportati relativi ai pesi nel portafoglio del Fondo, qualora questi abbia fatto ricorso a fonti sottostanti diverse per i dati relativi alle partecipazioni allo scopo di redigere le informative incluse nella relazione. Morgan Stanley Investment Management adotta le misure ragionevoli per mitigare il rischio di tali limitazioni. Tuttavia non rilascia alcuna dichiarazione o garanzia riguardo alla completezza o accuratezza di tali dati. Tutti questi dati possono anche essere modificati dal fornitore esterno senza preavviso. Morgan Stanley Investment Management può pertanto scegliere di agire (o di non agire) relativamente alle variazioni dei dati forniti da terzi come ritiene opportuno in base alle circostanze.

Questa relazione è stata redatta in base alle partecipazioni nel portafoglio del Fondo unicamente alla data specificata all'inizio di questo documento (salvo altrimenti indicato dal contesto). Salvo altrimenti indicato, le percentuali incluse in questa relazione sono state misurate conformemente al peso nel portafoglio, che si basa sul valore di mercato degli investimenti del Fondo.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022

Informativa periodica per i prodotti finanziari di cui all'Articolo 8, paragrafi 1, 2 e 2a del Regolamento (UE) 2019/2088 e Articolo 6, primo paragrafo, del Regolamento (UE) 2020/852

Nome del prodotto: **Global Brands Fund**

Identificativo dell'entità legale: **ZGXTXPGVP03JQIVJJ255**

Periodo di riferimento: **dal 16 maggio 2022 al 31 dicembre 2022**

Questa classificazione del Fondo quale Articolo 8 ai sensi dell'SFDR è entrata in vigore il 16 maggio 2022
Salvo altrimenti indicato, i valori di seguito riportati sono stati calcolati in base agli investimenti del Fondo al 30 dicembre 2022.

Caratteristiche ambientali e sociali

Investimento sostenibile indica un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che l'investimento non danneggi in misura significativa qualsiasi obiettivo ambientale o sociale e che le società partecipate adottino buone pratiche di governance.

La **Tassonomia UE** è un sistema di classificazione descritto nel Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Questo Regolamento non include alcun elenco di attività economiche socialmente sostenibili. Un investimento sostenibile con un obiettivo ambientale potrebbe non essere allineato alla Tassonomia.

Questo prodotto finanziario ha un obiettivo d'investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale: ___%**	☒ Ha **promosso caratteristiche ambientali/sociali (E/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota di investimenti sostenibili pari a 63,30%
☐ in attività economiche qualificate come ecosostenibili ai sensi della Tassonomia UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla Tassonomia UE
☐ in attività economiche non qualificate come ecosostenibili ai sensi della Tassonomia UE	☒ con un obiettivo ambientale in attività economiche non considerate ecosostenibili conformemente alla Tassonomia UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale: ___%**	☐ Ha promosso caratteristiche E/S ma **non ha effettuato alcun investimento sostenibile**

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Indicatori di sostenibilità misurano come sono realizzate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Fino a che punto le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario sono state soddisfatte?

Durante il periodo di riferimento, il Fondo ha promosso la caratteristica ambientale della mitigazione dei cambiamenti climatici, evitando investimenti in: (i) società che abbiano un qualsiasi legame con combustibili fossili; e (ii) società di altri settori ad alta intensità energetica. A scanso di equivoci, il Fondo non cerca di fare investimenti che contribuiscono a mitigare il cambiamento climatico ai sensi della Tassonomia UE.

Inoltre, il Fondo ha tenuto conto delle caratteristiche sociali applicando esclusioni vincolanti per: (i) società la cui attività principale riguarda le armi o le armi da fuoco per uso civile; e (ii) che siano abbiano un qualsiasi tipo di collegamento con le armi controverse.

Inoltre una quota degli investimenti del Fondo è stata classificata come investimenti sostenibili tramite una valutazione complessiva di tre test, che implicavano l'allineamento positivo agli Obiettivi di Sviluppo Sostenibile delle Nazioni Unite (OSS) delle società partecipate (ciascuna di esse, una "Società", complessivamente "le Società").

Non vi sono state eccezioni alla realizzazione da parte del Fondo delle sue caratteristiche ambientali e sociali.

Quale è stata la performance degli indicatori di sostenibilità?

Indicatore di sostenibilità	Soglia dell'indicatore	Valore del portafoglio 2022
Caratteristiche ambientali		
Esclusioni:		
% investita dal Fondo in società che:		
Hanno un qualsiasi legame con i combustibili fossili	0,00%	0,00%
sono classificate nei seguenti settori o comparti industriali secondo gli standard di classificazione settoriale pubblicati da MSCI GICS: energia, materiali da costruzione, servizi di pubblica utilità (escluse l'elettricità da fonti rinnovabili e la fornitura di acqua), metallurgia e attività minerario-estrattive	0,00%	0,00%
Caratteristiche sociali		
Esclusioni:		
% investita dal Fondo in società che traggono profitto da:		
Armi da fuoco per uso civile (>10% dei ricavi)	0,00%	0,00%
Armi (>10% dei ricavi)	0,00%	0,00%
% investita dal Fondo in società che hanno legami con armi controverse	0,00%	0,00%
Investimenti sostenibili:		
% investita dal Fondo in società classificate come investimenti sostenibili	10,00%	63,30%

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Le società classificate quali investimenti sostenibili secondo le norme SFDR hanno superato una serie di test che implicavano la dimostrazione di un contributo positivo a obiettivi ambientali o sociali che il Fondo definisce come allineati positivamente agli Obiettivi di Sviluppo Sostenibile delle Nazioni Unite ("OSS"). Gli OSS delle Nazioni Unite comprendono obiettivi ambientali (p.es., Agire per il clima o Vita sulla terra) e sociali (p.es., Salute e Benessere). Per essere classificati come sostenibili, gli investimenti del Fondo devono aver avuto un allineamento netto positivo agli OSS delle Nazioni Unite, sia tramite prodotti e servizi propri (p.es., i prodotti medici di una società farmaceutica possono essere allineati positivamente all'OSS "Salute e Benessere"), sia tramite pratiche, politiche, interventi e obiettivi aziendali, volti a soddisfare uno o più OSS (p.es., un'azienda con un valido programma di riduzione delle emissioni di CO2 può essere allineata all'OSS Agire per il clima riducendo le proprie emissioni, convertendosi all'uso di energie rinnovabili o cercando di ridurre le emissioni nella propria filiera con il coinvolgimento dei fornitori e/o con un'adeguata progettazione dei prodotti).

Il Consulente per gli Investimenti ha classificato una società in base al suo contributo positivo a un obiettivo ambientale o sociale quando soddisfaceva contemporaneamente tre criteri valutati utilizzando dati forniti da terzi: 1) avere un punteggio totale netto positivo per l'allineamento a tutti gli OSS (ossia, la somma dei punteggi che misurano l'allineamento positivo ai singoli OSS deve essere maggiore della somma dei punteggi di allineamento negativo), 2) avere un allineamento sufficientemente positivo (secondo il Consulente per gli Investimenti d'investimento) con almeno un singolo OSS conseguito e 3) non avere disallineamenti importanti su nessun OSS.

In determinati casi, e laddove abbia ritenuto opportuno farlo in virtù di una propria analisi interna (tenendo conto dell'interlocuzione con la società o di altre fonti di dati), il Consulente per gli Investimenti può aver considerato un investimento come idoneo rispetto ai criteri di investimento sostenibile, in disaccordo con la valutazione emergente dal punteggio di allineamento agli OSS fornito da terze parti. Questo può essere avvenuto, per esempio, rise il Consulente per gli Investimenti ha ritenga - in virtù di ricerche proprie e interlocuzioni - che i dati di allineamento agli OSS forniti da terze parti non fossero aggiornati o corretti.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

Gli **Impatti nocivi principali (PAI)** sono gli impatti negativi più importanti di decisioni di investimento su fattori di sostenibilità relativi a questioni ambientali, sociali e concernenti i dipendenti, rispetto per i diritti umani e questioni di anticorruzione attiva e passiva.

In che modo gli investimenti sostenibili parzialmente effettuati dal prodotto finanziario non hanno provocato danni significativi per qualsiasi obiettivo di investimento sostenibile sociale o ambientale?

Il Consulente per gli Investimenti ha applicato il principio del "non arrecare nessun danno significativo" agli investimenti sostenibili del Fondo per assicurare che non includessero: (1) investimenti che arrecano un danno significativo agli indicatori dei principali effetti negativi ("PAI") che il Consulente per gli Investimenti deve obbligatoriamente prendere in considerazione in ottemperanza al Regolamento SFDR dell'UE e che abbiano un ruolo rilevante per l'investimento, o (2) investimenti che non soddisfano le garanzie sociali minime stabilite dal Regolamento SFDR.

Come sono stati considerati gli indicatori di impatti negativi sui fattori di sostenibilità?

Per la valutazione degli indicatori dei principali effetti negativi, il Fondo ha utilizzato dati provenienti da fornitori terzi e da ricerche interne.

Per stabilire se è stato arrecato un danno significativo, sono state impostate delle soglie iniziali per ciascun indicatore obbligatorio degli effetti negativi opportuni.

In mancanza di dati disponibili, si è ritenuto che l'investimento non superasse il test iniziale di idoneità e, pertanto, non potesse essere considerato un investimento sostenibile.

Tuttavia, qualora il fornitore terzo di dati abbia ritenuto che un dato indicatore di effetti negativi non fosse significativo vista la natura o il settore dell'emittente e non abbia fornito dati per questo motivo, l'investimento è stato considerato superare il test iniziale, essendo improbabile che le attività dell'investimento arrechino danni significativi al tema ambientale o sociale coperto da quell'indicatore.

Inoltre, in alcuni casi il risultato del test iniziale può essere stato integrato (se del caso) da valutazioni qualitative interne del Consulente per gli Investimenti in merito a possibili danni significativi (tenendo conto di altre fonti di dati e/o delle interlocuzioni con gli amministratori delle società) per uno o più indicatori.

Nel quadro di un approccio d'investimento a lungo termine, i responsabili dell'investimento hanno cercato anche di interloquire con i dirigenti e i consigli di amministrazione delle società per incoraggiarli a migliorare le pratiche ESG.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Il Fondo non ha classificato come investimenti sostenibili:

- emittenti che non hanno rispettato i temi e i valori promossi dal Global Compact delle Nazioni Unite o dalle Linee guida dell'OCSE destinate alle imprese multinazionali (che incorporano i Principi fondamentali dell'OIL); e
- emittenti che non disponevano di processi e meccanismi di conformità per monitorare la conformità ai principi e ai valori promossi dal Global Compact delle Nazioni Unite e dalle Linee guida dell'OCSE fondamentali alle imprese multinazionali (che incorporano i Principi fondamentali dell'OIL).

La valutazione, in ogni caso, si è basata su dati di fornitori terzi e/o su analisi interne.

La Tassonomia UE stabilisce un principio di "non arrecare un danno significativo" secondo il quale gli investimenti allineati alla Tassonomia non dovrebbero arrecare danni significativi agli obiettivi della Tassonomia ed è accompagnata da criteri UE specifici.

Il principio di "non arrecare un danno significativo" si applica unicamente agli investimenti sottostanti del prodotto finanziario che tengono conto dei criteri UE per attività economiche ecosostenibili. Gli investimenti sottostanti della quota restante di questo prodotto finanziario non tengono conto dei criteri UE in materia di attività economiche ecosostenibili.

Qualsiasi altro investimento sostenibile non deve inoltre arrecare danni significativi a qualsiasi obiettivo ambientale o sociale.

La normativa impone che il presente documento includa queste dichiarazioni. Tuttavia, per evitare qualsiasi dubbio, questo Fondo non ha tenuto e non tiene conto dei criteri UE per attività economiche ecosostenibili nella Tassonomia UE.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Come sono stati considerati da questo prodotto finanziario gli impatti negativi più importanti sui fattori di sostenibilità?

Al fine di classificare come sostenibili alcuni investimenti del Fondo, il Consulente per gli Investimenti ha preso in considerazione tutti gli opportuni indicatori dei principali effetti negativi definiti come obbligatori dal Regolamento SFDR.

I principali effetti negativi sono stati esaminati anche relativamente ad altri investimenti del Fondo, come di seguito indicato:

- le caratteristiche ambientali e sociali promosse dal Fondo incorporano, applicando esclusioni vincolanti, l'esame dei principali effetti negativi seguenti:
- Indicatore dei principali effetti negativi n° 4: Esposizione a società operanti nel settore dei combustibili fossili;
- Indicatore dei principali effetti negativi n° 14: Esposizione ad armi controverse (utilizzando dati di terzi con una metodologia conforme alla definizione del Regolamento SFDR);
- l'impegno e la responsabilità di gestione nei confronti degli emittenti per tutti gli indicatori dei principali effetti negativi definiti come obbligatori dal Regolamento SFDR (fatta eccezione per le armi controverse, poiché escluse) in base alla rilevanza (ossia, se il Consulente per gli Investimenti ritiene che un particolare indicatore di effetti negativi sia materialmente rilevante per la sostenibilità a lungo termine di elevati rendimenti del capitale ovvero sia materialmente influenzato negativamente dalle attività dell'emittente).



Quali sono stati gli investimenti principali di questo prodotto finanziario?

Sono compresi nell'elenco gli investimenti che costituiscono **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 51,71%

Titolo	Settore	% attivi	Paese
Microsoft Corp.	Informatica	8,74%	Stati Uniti d'America
Philip Morris International, Inc.	Beni di consumo di base	7,54%	Stati Uniti d'America
Visa, Inc. 'A'	Informatica	6,19%	Stati Uniti d'America
Reckitt Benckiser Group plc	Beni di consumo di base	5,77%	Regno Unito
Danaher Corp.	Sanità	5,31%	Stati Uniti d'America
SAP SE	Informatica	5,09%	Germania
Thermo Fisher Scientific, Inc.	Sanità	4,61%	Stati Uniti d'America
Accenture plc 'A'	Informatica	4,50%	Stati Uniti d'America
Intercontinental Exchange, Inc.	Finanziari	3,96%	Stati Uniti d'America

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

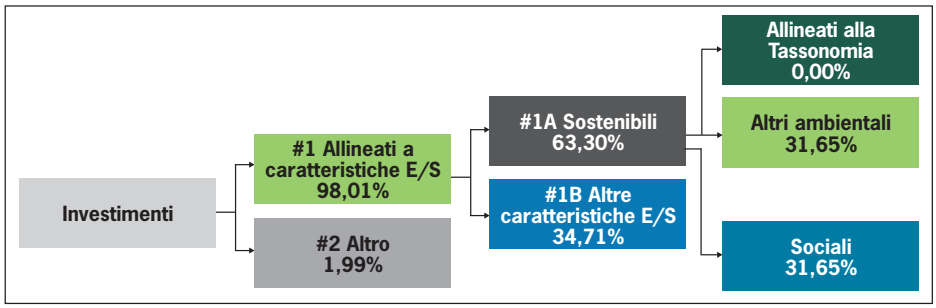
Qual era la quota di investimenti correlati alla sostenibilità?

98,01% degli investimenti del Fondo era allineato con le relative caratteristiche ambientali e sociali.

63,30% degli attivi del Fondo era investito in società classificate come investimenti sostenibili, come spiegato ulteriormente nel diagramma dell'allocazione di attivi qui di seguito.

Quale è stata l'allocazione degli attivi?

L'**Allocazione degli attivi** descrive la quota di investimenti in attivi specifici.



#1 Allineati a caratteristiche E/S comprende gli investimenti del prodotto finanziario utilizzati per realizzare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altro comprende gli investimenti restanti del prodotto finanziario non allineati alle caratteristiche ambientali o sociali e non qualificati quali investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche E/S** copre:

- la sottocategoria **#1A Sostenibili**, che comprende investimenti ambientalmente e socialmente sostenibili.
- la sottocategoria **#1B Altre caratteristiche E/S**, che comprende investimenti allineati alle caratteristiche ambientali o sociali non qualificati come investimenti sostenibili.

La metodologia del Fondo per la classificazione di società quali investimenti sostenibili comprende una valutazione basata sull'allineamento con gli OSS delle Nazioni Unite, che include sia fattori ambientali che sociali (a seconda del caso) come stabilito precedentemente. Il Fondo non classifica i suoi investimenti sostenibili come aventi un obiettivo ambientale o sociale.

Ai fini unicamente del reporting SFDR, il Consulente per gli Investimenti ha quindi diviso in parti uguali la quota degli attivi del Fondo investiti in società classificate come investimenti sostenibili in categorie ambientali e sociali nelle seguenti domande ("In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia UE?" e "Qual era la quota di investimenti socialmente sostenibili?)

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

In quali settori economici sono stati effettuati gli investimenti?

Settore	% attivi
Informatica	31,27%
Beni di consumo di base	26,46%
Sanità	22,40%
Prodotti industriali	8,17%
Finanziari	5,20%
Beni di lusso	3,96%
Esplorazione, attività mineraria, estrazione, produzione, trattamento, stoccaggio, raffinazione o distribuzione, inclusi trasporto, stoccaggio e commercio di combustibili fossili	0,00%

Nella tabella qui sopra sono riportati solo investimenti effettuati dal Fondo, ed esclusi altri attivi del Fondo quali liquidità e strumenti del mercato monetario detenuti come liquidità accessoria.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia UE?

Il Consulente per gli investimenti non ha tenuto conto della Tassonomia UE nella gestione del Fondo. Di conseguenza, nessuno degli attivi del Fondo investiti in società classificate come investimenti sostenibili stato è valutato dal Consulente per gli Investimenti come "allineato alla Tassonomia UE"

Ai fini di conformità con la Tassonomia UE, i criteri relativi ai gas fossili includono limitazioni delle emissioni e passaggio a energia rinnovabile o carburanti a basse emissioni di carbonio entro la fine del 2035. **Per l'energia nucleare,** i criteri includono norme esaustive relative alla sicurezza e gestione delle scorie.

Attività abilitatrici abilitano direttamente altre attività per apportare un contributo concreto a un obiettivo ambientale.

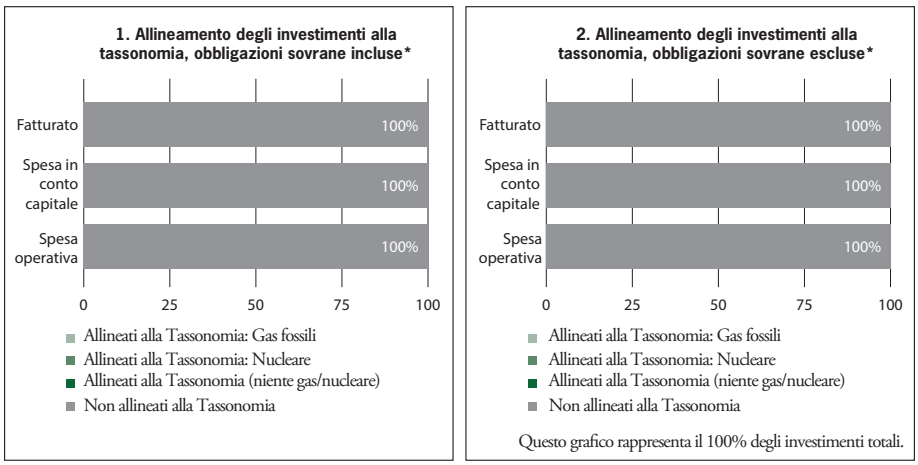
Attività transizionali sono attività economiche per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e i cui livelli di emissione di gas con effetto serra corrispondono alla performance migliore.

Il prodotto finanziario ha investito in attività correlate a gas fossili e/o energia nucleare conformi alla Tassonomia UE[1]?

☐ Sì

☑ No

I grafici qui avanti indicano in verde la percentuale degli investimenti allineati alla Tassonomia UE. Non essendoci alcuna metodologia appropriata per stabilire l'allineamento alla tassonomia di obbligazioni sovrane*, il primo grafico mostra l'allineamento alla Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto diversi da obbligazioni sovrane.



Ai fini di questi grafici, le "obbligazioni sovrane" sono tutte le esposizioni sovrane.

[1] Attività legate a gas fossili e/o nucleare saranno conformi alla Tassonomia UE solo laddove contribuiscano alla limitazione del cambiamento climatico ("mitigazione del cambiamento climatico") e non arrechino seri danni a qualsiasi obiettivo della Tassonomia UE – cfr. Nota esplicativa nel margine a sinistra. Si può trovare una descrizione completa dei criteri relativi ad attività legate a gas fossili ed energia nucleare conformi alla Tassonomia UE nel Regolamento delegato delle Commissioni (UE) 2022/1214.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)



Le attività allineate alla tassonomia sono espresse come una quota di:

– **fatturato** riflette quanto le società partecipate siano "verdi" oggi.

– **spesa in conto capitale** (CapEx) mostra gli investimenti verdi effettuati dalle società partecipate, rilevanti per una transizione a un'economia verde.

– **spesa operativa** (OpEx) riflette le attività operative verdi delle società partecipate.

Quale era la quota di investimenti effettuati in attività transizionali e abilitatrici?

Il Fondo non ha effettuato alcun investimento in attività valutate dal Consulente per gli investimenti come transizionali o abilitatrici secondo la Tassonomia UE.



*Investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per attività economiche ecosostenibili ai sensi del Regolamento (UE) 2020/852.



Qual era la proporzione di investimenti sostenibili con un obiettivo ambientale non allineati alla Tassonomia UE?

31,65% degli attivi del Fondo era investito in società classificate come investimenti sostenibili con un obiettivo ambientale che non erano allineate alla Tassonomia. La Tassonomia dell'UE non copre in modo esaustivo tutti i comparti industriali e i settori di attività né tutti gli obiettivi ambientali. Di conseguenza il Consulente per gli investimenti ha utilizzato la sua metodologia per stabilire se gli investimenti fossero sostenibili conformemente al test per l'investimento sostenibile SFDR e quindi investire in tali asset per il Fondo. Il Fondo non tiene conto dei criteri per attività economiche ecosostenibili ai sensi della Tassonomia UE.

Come indicato qui sopra in risposta alla domanda "Qual era l'allocazione di attività?" il Fondo non classifica i suoi investimenti sostenibili in base un eventuale obiettivo ambientale o sociale. Ai fini unicamente del reporting SFDR, il Consulente per gli Investimenti ha diviso in parti uguali tra le categorie ambientale e sociale la quota di attivi del Fondo investita in società classificate come investimenti sostenibili.



Qual era la quota di investimenti socialmente sostenibili?

31,65% degli attivi del Fondo era investito in società classificate come investimenti sostenibili con un obiettivo sociale.

Come indicato qui sopra in risposta alla domanda "Qual era l'allocazione di attività?" il Fondo non classifica i suoi investimenti sostenibili in base un eventuale obiettivo ambientale o sociale. Ai fini unicamente del reporting SFDR, il Consulente per gli Investimenti ha diviso in parti uguali tra le categorie ambientale e sociale la quota di attivi del Fondo investita in società classificate come investimenti sostenibili.

Allegato 9: Informativa sulla finanza sostenibile (non certificato)

Al 31 dicembre 2022 (seguito)

Quali investimenti erano inclusi tra gli "altri", quale era la loro finalità e vi erano salvaguardie ambientali o sociali minime?

1,99% degli investimenti del Fondo non era allineato alle caratteristiche ambientali e sociali del Fondo, ed è stato quindi incluso nella categoria "Altro". Comprendeva liquidità e strumenti del mercato monetario detenuti come liquidità accessoria e non era soggetto a qualsiasi salvaguardia minima ambientale o sociale.

Quali azioni sono state adottate per raggiungere le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Durante il periodo di riferimento, il Consulente per gli Investimenti ha applicato le esclusioni e ha valutato le società al fine di classificarle come investimenti sostenibili o non sostenibili. Ha inoltre monitorato regolarmente gli investimenti del Fondo conformemente alle caratteristiche ambientali e sociali dello stesso.

Il Consulente per gli Investimenti si è anche impegnato direttamente con le società in merito a questioni ambientali e sociali rilevanti per la sostenibilità dei rendimenti. Il processo di investimento è focalizzato sulla comprensione della fattibilità a lungo termine dei rendimenti di una società sul capitale operativo e a tale riguardo l'impegno con la dirigenza ha un ruolo vitale. Informa se la dirigenza è in grado di mantenere tali rendimenti contemporaneamente a una crescita dell'attività nel lungo termine. Ciò comporta anche l'impegno diretto con società e consigli di amministrazione in merito a opportunità e rischi ESG rilevanti.

Limitazioni dei dati

Generalmente Morgan Stanley Investment Management utilizza svariate fonti di dati e l'analisi interna quali input nei suoi processi ESG. Possono essere inclusi dati ottenuti da fonti esterne, anche per redigere le informative in questa relazione. Tali dati possono essere soggetti a limitazioni metodologiche e a ritardi, vuoti di copertura o altre questioni con un impatto sulla qualità dei dati. Le informazioni correlate a fattori ESG, comprese quelle ottenute da fornitori esterni, si basano spesso su determinazioni qualitative o soggettive, e le singole fonti dei dati potrebbero di per sé non presentare un quadro completo relativo alle metriche ESG rappresentate. Si possono anche verificare discrepanze minime nei dati riportati relativi ai pesi nel portafoglio del Fondo, qualora questi abbia fatto ricorso a fonti sottostanti diverse per i dati relativi alle partecipazioni allo scopo di redigere le informative incluse nella relazione. Morgan Stanley Investment Management adotta le misure ragionevoli per mitigare il rischio di tali limitazioni. Tuttavia non rilascia alcuna dichiarazione o garanzia riguardo alla completezza o accuratezza di tali dati. Tutti questi dati possono anche essere modificati dal fornitore esterno senza preavviso. Morgan Stanley Investment Management può pertanto scegliere di agire (o di non agire) relativamente alle variazioni dei dati forniti da terzi come ritiene opportuno in base alle circostanze.

Questa relazione è stata redatta in base alle partecipazioni nel portafoglio del Fondo unicamente alla data specificata all'inizio di questo documento (salvo altrimenti indicato dal contesto). Salvo altrimenti indicato, le percentuali incluse in questa relazione sono state misurate conformemente al peso nel portafoglio, che si basa sul valore di mercato degli investimenti del Fondo.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Muzinich Global Tactical Credit Fund

Identificativo della persona giuridica: 549300914IEWVSQ6QI72

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota dell'1,12% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

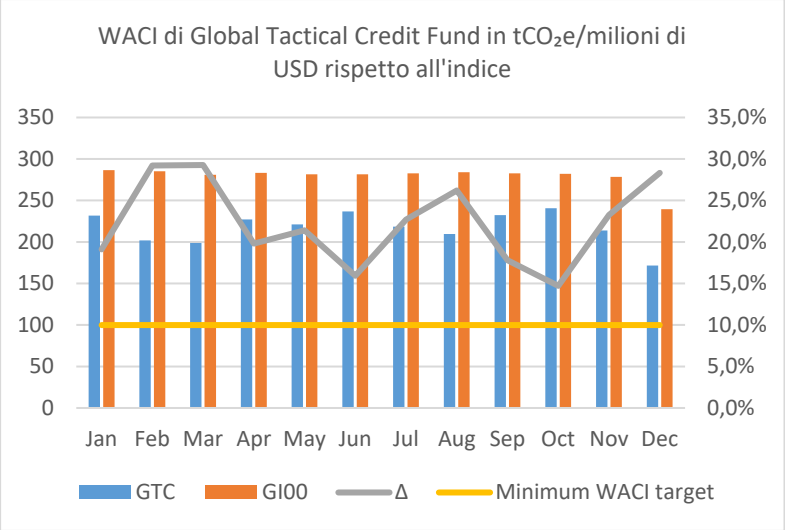
Questo prodotto finanziario ha promosso determinate caratteristiche ambientali e/o sociali nel suo portafoglio applicando un elenco di esclusione settoriale e determinati criteri di condotta per evitare investimenti in società che il Gestore degli Investimenti considera fondamentalmente non sostenibili. Questo prodotto finanziario si conforma inoltre a un obiettivo di intensità di carbonio media ponderata (WACI) per rimanere almeno il 10% al di sotto di quella dell'indice di riferimento del prodotto finanziario. Inoltre, gli investimenti in portafoglio sono tenuti a seguire pratiche di buona governance.

Gli **indicatori di sostenibilità** misurano il raggiungimento delle caratteristiche ambientali o sociali promosse dal prodotto finanziario.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

Gli indicatori di sostenibilità del prodotto finanziario hanno avuto la seguente prestazione:

Indicatore di sostenibilità	Prestazione dell'indicatore di sostenibilità
Percentuale dei ricavi di un singolo emittente che può essere ottenuta da specifiche attività commerciali (ad esempio, la produzione di armi controverse).	Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario: • deteneva 0 emittenti (0% in termini di ponderazione) coinvolti nella fabbricazione finale di armi controverse • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dal gioco d'azzardo • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dall'intrattenimento per adulti • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dalla produzione di tabacco • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dall'estrazione del carbone o dalla produzione di elettricità legata al carbone.
Allineamento dell'emittente alle norme riconosciute e/o agli standard internazionali relativi al rispetto dei diritti umani, ai rapporti di lavoro, alla protezione da gravi danni ambientali e alle norme in materia di frode e/o corruzione grave.	Il Gestore degli Investimenti ha utilizzato questi indicatori per segnalare gli emittenti che potenzialmente violano i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati dai fornitori indipendenti di dati ESG del Gestore degli Investimenti poiché potenzialmente in contrasto con tali norme o standard sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario deteneva 2 emittenti (o un'esposizione dello 0,19% in termini di ponderazione) che il Comitato di idoneità ESG del Gestore degli Investimenti considerava a rischio di grave violazione di norme o standard riconosciuti in materia di diritti umani, rapporti di lavoro, protezione da gravi danni ambientali e frode e/o corruzione grave.
Punteggio delle controversie ESG, che misura la gravità degli incidenti legati alla sostenibilità di un emittente.	Il Gestore degli Investimenti ha monitorato il punteggio delle controversie ESG degli emittenti in portafoglio nell'ambito del suo processo di ricerca e monitoraggio continuo per identificare le società che potrebbero presentare rischi eccessivi per gli emittenti . Tuttavia questi indicatori non sono utilizzati come elementi vincolanti della politica ESG di questo prodotto d'investimento. La quota di partecipazioni del fondo con un punteggio delle controversie di 5/5, calcolata come media delle quattro percentuali di fine trimestre nel periodo di riferimento, è pari allo 0,49% degli attivi in gestione. Gli emittenti con il punteggio delle controversie più elevato (5/5) sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti che ha approvato la prosecuzione degli investimenti.
Indicatori dei principali effetti negativi secondo la definizione dell'SFDR	Il Gestore degli Investimenti ha considerato i principali effetti negativi delle sue decisioni di investimento sui fattori di sostenibilità. I risultati di tali considerazioni sono presentati nell'Allegato I in appendice al presente documento.
Margine percentuale tra l'intensità di carbonio media ponderata del portafoglio del prodotto finanziario e quella di un universo investibile comparabile di titoli, per determinare se il prodotto finanziario soddisfa o viola i suoi criteri di intensità di carbonio.	L'intensità di carbonio media ponderata di questo prodotto finanziario è rimasta inferiore di oltre il 10% (cioè meno intensiva in carbonio) rispetto a un universo investibile comparabile di titoli rappresentato dall'indice di riferimento per tutto il periodo di investimento, come illustrato nel grafico seguente. Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario, tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un

	indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali.  L'indice utilizzato è l'ICE BofA Global Corporate & High Yield Index (GI00) ed è stato scelto come universo d'investimento rappresentativo della strategia d'investimento di questo prodotto finanziario. La linea grigia delta ("Δ") mostra la differenza tra l'intensità di carbonio media ponderata di questo prodotto finanziario e quella dell'indice di riferimento, che dovrebbe rimanere al di sopra del "target minimo WACI".

…e rispetto ai periodi precedenti?

Non applicabile, in quanto si tratta del primo periodo di riferimento per il quale il Gestore degli Investimenti presenta una relazione.

Quali erano gli obiettivi degli Investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Questo prodotto d'investimento non aveva l'obiettivo ambientale di investire in attività economiche che si qualificano come ecosostenibili secondo la tassonomia dell'UE o che non si allineano alla tassonomia dell'UE, né in attività socialmente sostenibili. Tuttavia, il prodotto ha effettuato alcuni investimenti che rientrano nella definizione di attività commerciali allineate alla tassonomia dell'UE con attività di mitigazione e/o adattamento al clima.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione alcuni criteri di condotta aziendale relativi ai diritti umani, ai diritti del lavoro, alla tutela dell'ambiente e alle pratiche di governance attraverso il processo di due diligence e di monitoraggio continuo, al fine di garantire che le partecipazioni non danneggiassero in modo significativo gli obiettivi ambientali o sociali.

- *In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?*

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione i principali effetti negativi ("PAI") sui fattori di sostenibilità al momento di prendere le decisioni di investimento relative a questo prodotto finanziario, nell'ambito della due diligence, della ricerca e del monitoraggio continuo dei singoli emittenti e attraverso l'impegno con alcuni emittenti. Il Gestore degli Investimenti ha preso in considerazione i PAI monitorando gli indicatori obbligatori di cui alla Tabella 1 dell'Allegato 1 del regolamento delegato (UE) 2022/1288 della Commissione in relazione alle norme tecniche di regolamentazione che integrano l'SFDR. Ulteriori informazioni sulla considerazione dei fattori PAI sono disponibili alla fine di questo documento.

- *Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:*

Il Gestore degli Investimenti considera l'allineamento degli emittenti con queste linee guida e principi come parte del suo processo di ricerca degli investimenti. Il Gestore degli Investimenti ha utilizzato indicatori forniti da fornitori indipendenti di dati ESG che segnalano gli emittenti che potenzialmente violano le linee guida dell'OCSE destinate alle imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, che a loro volta violerebbero i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Il Gestore degli Investimenti ritiene che gli investimenti effettuati nel corso del periodo di riferimento siano conformi a tali linee guida e principi.

Durante il periodo d'investimento questo prodotto finanziario è stato sottoposto a screening su base trimestrale per determinare l'allineamento con tali linee guida. Il Gestore degli Investimenti non ha ritenuto che nel periodo di riferimento si siano verificate gravi violazioni da parte delle partecipazioni a questo prodotto finanziario.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Gestore degli Investimenti ha preso in considerazione i PAI sui fattori di sostenibilità quando ha adottato le decisioni di investimento relative a questo prodotto finanziario attraverso una combinazione di decisioni di allocazione di attivi, esclusioni o sottopesi a livello di settore o di società, esclusioni basate sulla condotta, coinvolgimento degli emittenti e l'applicazione di un obiettivo di riduzione dell'intensità di carbonio. Gli elementi vincolanti della politica ESG di questo prodotto finanziario si riferiscono direttamente alla mitigazione dei PAI. Il Gestore degli Investimenti prende in considerazione altri PAI nell'ambito del suo processo di ricerca sugli investimenti, compresa la sua metodologia proprietaria di punteggio ESG, e/o delle attività di engagement. Il Gestore degli Investimenti ha classificato i PAI nella tabella sottostante secondo una priorità "bassa", "media" o " elevata", in base all'importanza che attribuisce a ciascun fattore, alla qualità o alla copertura dei dati generalmente disponibili su tali fattori e alla capacità di influenzare materialmente le società in portafoglio su tali fattori attraverso l'engagement. La politica ESG di questo prodotto finanziario ha affrontato direttamente i PAI ad alta priorità escludendo o limitando l'esposizione agli emittenti rilevanti.

In particolare, in relazione a questo prodotto finanziario, il Gestore degli Investimenti considera i fattori PAI elencati nella tabella seguente. Il Gestore degli Investimenti si procura i dati PAI da fornitori indipendenti di dati ESG e indirettamente da altre fonti di dati ESG, come i punteggi sulle controversie. I dati sui fattori PAI relativi a questo prodotto finanziario sono disponibili alla fine del presente Allegato.

PAI considerato	Priorità	Azione/i chiave relativa/e ai PAI
Emissioni GHG	Elevata	1) Il presente prodotto finanziario escludeva gli emittenti direttamente coinvolti in entità che traevano più del 10% dei loro ricavi annuali dall'estrazione di carbone termico e/o dalla produzione di energia da carbone termico, fatta salva una possibilità per le entità che il Gestore degli Investimenti riteneva avessero un piano di transizione credibile per ridurre la loro dipendenza o esposizione al carbone termico a favore di forme di energia a minore intensità di carbonio, come le energie rinnovabili. 2) Il Gestore degli Investimenti ha mantenuto un obiettivo WACI al fine di ridurre l'intensità di carbonio complessiva di questo prodotto finanziario rispetto a un indice di riferimento scelto.
Impronta di carbonio	Elevata	
Intensità di gas serra delle imprese beneficiarie degli investimenti	Elevata	
Esposizione ad attività nel settore dei combustibili fossili	Elevata	
Consumo e produzione di energie non rinnovabili	Media	Il Gestore degli Investimenti ha monitorato questi PAI attraverso rapporti mensili sulle emissioni di carbonio del portafoglio, che includono i mix energetici delle società in portafoglio e sono collegati all'obiettivo di efficienza di carbonio di questo prodotto finanziario. Il Gestore degli Investimenti ha effettuato attività di engagement con alcuni emittenti laddove ritiene che vi sia l'opportunità per l'emittente di mitigare il proprio impatto su questo fattore.
Intensità del consumo energetico per settore ad alto impatto climatico	Bassa	
Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori
Emissioni in acqua	Bassa	

Tasso di rifiuti pericolosi	Bassa	azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti
Violazione dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Elevata	Nei casi in cui il Gestore degli Investimenti o il suo fornitore indipendente di dati ESG ritenga che un emittente abbia violato gravemente i principi UNGC e le linee guida dell'OCSE destinate alle imprese multinazionali, è stato chiesto al Comitato di idoneità ESG interno del Gestore degli Investimenti di stabilire se tale emittente debba rimanere idoneo all'investimento in questo prodotto finanziario. Le decisioni del Comitato di idoneità vengono registrate e attuate tramite il team di rischio e i gestori di portafoglio del Gestore degli Investimenti.
Politiche, procedure e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Elevata	
Divario retributivo di genere non corretto	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti.
Diversità di genere nel consiglio	Media	
Esposizione ad armi controverse	Elevata	
Investimenti effettuati in imprese che non adottano iniziative per ridurre le emissioni di carbonio	Media	
Insufficiente protezione degli informatori	Media	
Assenza di una politica in materia di diritti umani	Elevata	
Assenza di politiche di lotta alla corruzione attiva e passiva	Elevata	



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:

1° gennaio 2022 – 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
US Treasury N/b	Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	16,72%	US
Treasury Bill	Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	7,57%	US
Ford Motor Credit Co Llc	Attività manifatturiere	2,22%	US
T-mobile USA Inc	Informazione e comunicazione	1,22%	US
HCA Inc	Attività dei servizi sanitari e di assistenza sociale	1,03%	US
Albertsons Cos/safeway	Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	0,88%	US
Sherwin-williams Co	Attività manifatturiere	0,87%	US
Cco Hldgs Llc/cap Corp	Informazione e comunicazione	0,84%	US
Sprint Corp	Informazione e comunicazione	0,79%	US
Ing Groep Nv	Attività finanziarie e assicurative	0,78%	NL
Constellation Brands Inc	Attività manifatturiere	0,73%	US
Viterra Finance Bv	Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	0,69%	NL
Cheniere Corp Christi Hd	Trasporto e magazzinaggio	0,68%	US
Qnb Finance Ltd	Attività finanziarie e assicurative	0,68%	KY
Transdigm Inc	Attività manifatturiere	0,61%	US

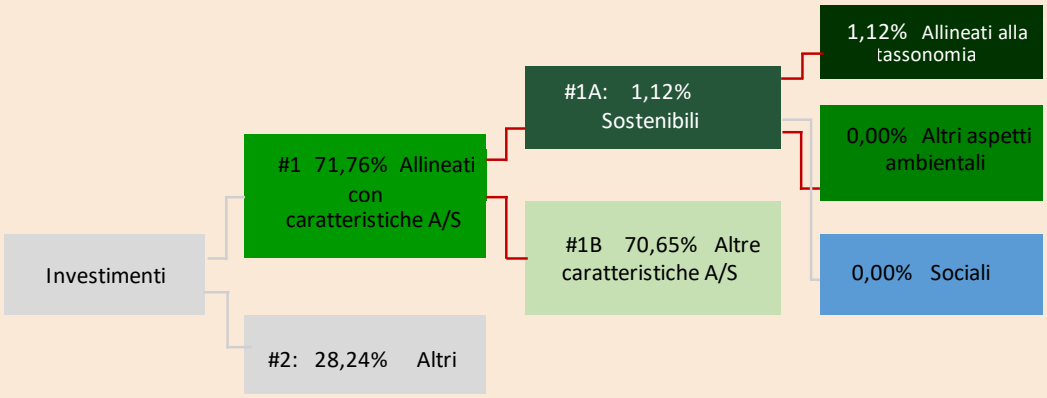
Le percentuali di attivi indicate sono calcolate come allocazione media agli emittenti al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022.

Qual è stata la quota degli investimenti in materia di sostenibilità?

La quota di investimenti legati alla sostenibilità per questo prodotto finanziario nel corso del periodo di riferimento è illustrata nel grafico seguente.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



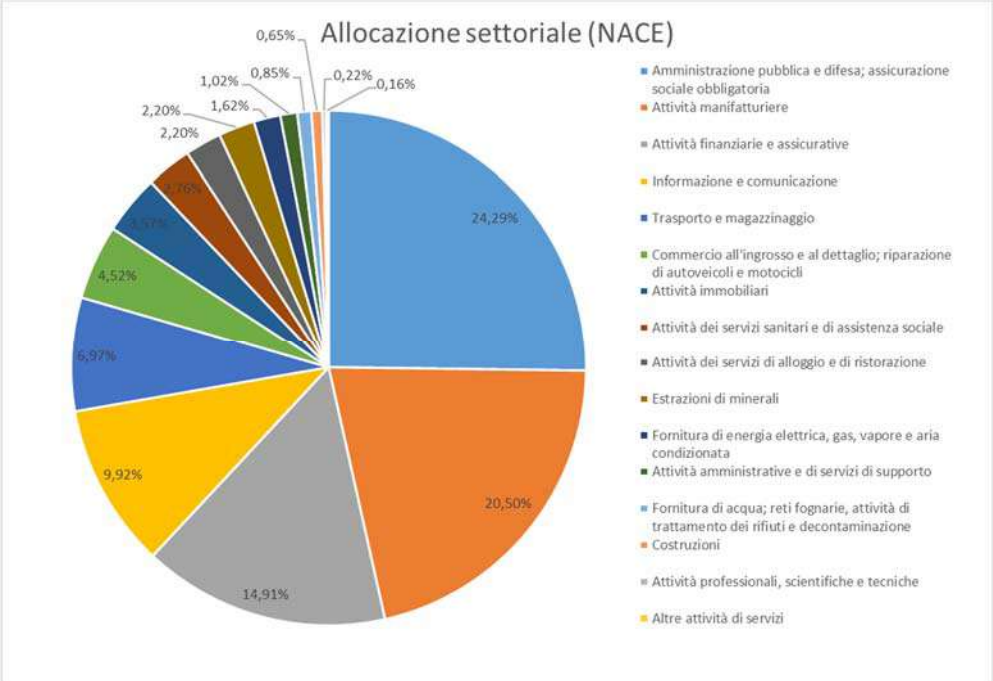
#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:
- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria **#1B Altre caratteristiche A/S**, che contempla gli investimenti allineati con le caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Conformemente alla tassonomia dell'UE, i criteri per il **gas fossile** includono limitazioni alle emissioni e il passaggio a energia completamente rinnovabile o a combustibili a basso contenuto di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri includono norme esaustive sulla sicurezza e sulla gestione delle scorie.

In quali settori economici sono stati effettuati gli investimenti?



L'allocazione settoriale è calcolata come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Questo prodotto finanziario non ha fissato un'allocazione minima per gli investimenti sostenibili allineati alla tassonomia dell'UE. Tuttavia, ha effettuato alcuni investimenti allineati alla tassonomia dell'UE, come illustrato di seguito.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformi alla tassonomia dell'UE[1]?

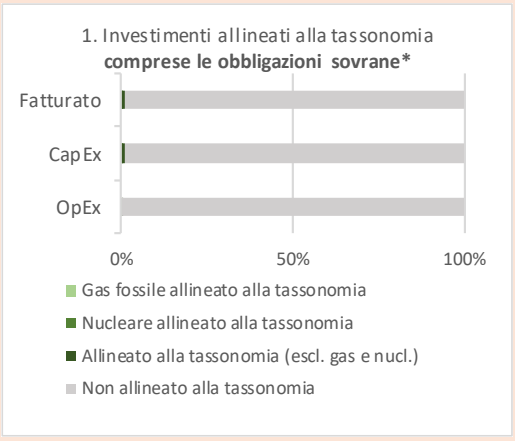
☒ Sì_____

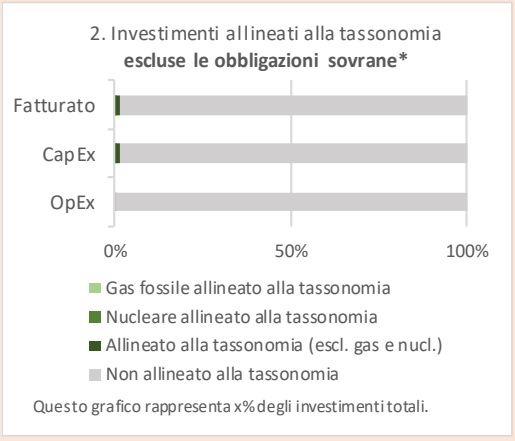
☒ In gas fossile ☒ In energia nucleare

☐ No

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

1. Investimenti allineati alla tassonomia **comprese** le obbligazioni sovrane*	**OpEx**	**CapEx**	**Fatturato**
Gas fossile allineato alla tassonomia	0,00%	0,02%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,08%	0,03%
Allineato alla tassonomia (escl. gas e nucl.)	0,00%	0,83%	1,08%
Non allineato alla tassonomia	100,00%	99,08%	98,88%

2. Investimenti allineati alla tassonomia **escluse** le obbligazioni sovrane*	**OpEx**	**CapEx**	**Fatturato**
Gas fossile allineato alla tassonomia	0,00%	0,02%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,11%	0,04%
Allineato alla tassonomia (escl. gas e nucl.)	0,01%	1,11%	1,45%
Non allineato alla tassonomia	99,99%	98,76%	98,50%

[1]Le attività legate al gas fossile e/o al nucleare saranno conformi alla tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecheranno danni significativi ad alcun obiettivo della tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche legate all'energia fossile e nucleare conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

I dati di allineamento alla tassonomia dell'UE sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti. L'allineamento alla tassonomia del gas fossile e/o dell'energia nucleare comprende qualsiasi emittente che abbia ricavi superiori allo 0% derivanti da tali settori.

- ***Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?***

  Questo prodotto finanziario ha effettuato investimenti in attività di transizione e/o abilitanti come segue:

Investimenti in attività di transizione e abilitanti	
Attività di transizione	0,09%
Attività abilitanti	0,25%

  Questi dati di allineamento alla tassonomia sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

  Non applicabile, in quanto si tratta del primo periodo per il quale il Gestore degli Investimenti presenta una relazione su questo prodotto finanziario.


Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti sostenibili non allineati con la tassonomia UE.



Qual era la quota di investimenti socialmente sostenibili?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti socialmente sostenibili.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale??

Gli investimenti inclusi nella voce "#2 Altri" rappresentano liquidità ed equivalenti di liquidità, strumenti del mercato monetario e alcuni strumenti di copertura, compresi i derivati. Tali investimenti sono detenuti per una serie di motivi, tra cui, a titolo esemplificativo, la gestione del rischio e/o per garantire un'adeguata liquidità, copertura e garanzia. Il Gestore degli Investimenti ritiene che queste partecipazioni non si riferiscano direttamente a un emittente specifico e quindi non siano collegate alla gestione dei rischi di sostenibilità e/o dei PAI. Il Gestore degli Investimenti non ritiene pertanto che sia possibile effettuare una determinazione ragionevole su considerazioni relative a salvaguardie ambientali o sociali minime, in parte a caUS della mancanza di dati rilevanti relativi a tali strumenti.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore degli Investimenti effettua uno screening dell'universo investibile di questo prodotto finanziario su base trimestrale per produrre elenchi di emittenti idonei o non idonei all'investimento. Tali elenchi sono stati programmati nei sistemi di trade compliance del Gestore degli Investimenti per evitare investimenti in emittenti non idonei e per monitorare e identificare qualsiasi potenziale violazione passiva dei criteri.

Il Gestore degli Investimenti ha redatto rapporti mensili sull'impronta di carbonio per quil presente esto prodotto finanziario per garantire il rispetto del suo obiettivo di intensità di carbonio. Il Gestore degli Investimenti viene informato di eventuali violazioni per garantire che vengano rettificate entro la fine del mese successivo. Al Gestore degli Investimenti viene fornito un elenco degli emittenti con le emissioni più elevate in portafoglio, in modo da poter prendere decisioni informate in merito al mantenimento di un'intensità di carbonio inferiore agli obiettivi dichiarati.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario. Tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali. L'indice mainstream non considera i fattori ESG e non è quindi coerente con le caratteristiche ambientali e/o sociali promosse dal prodotto finanziario. L'allocazione degli attivi del portafoglio di questo prodotto finanziario non è vincolata ad alcun benchmark.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non applicabile

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Muzinich ShortDurationHighYield Fund

Identificativo della persona giuridica: 549300JY3OQ0XVIAWY52

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota dello 0,54% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Gli **indicatori di sostenibilità** misurano il raggiungimento delle caratteristiche ambientali o sociali promosse dal prodotto finanziario.

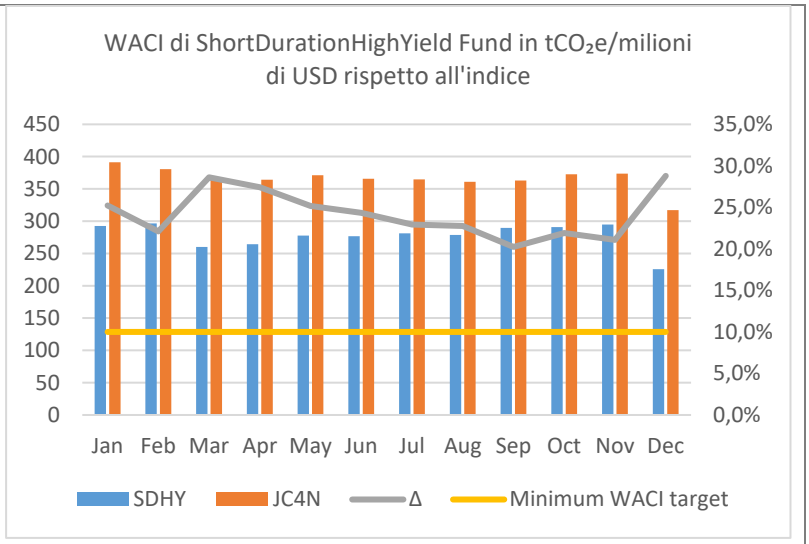
In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Questo prodotto finanziario ha promosso determinate caratteristiche ambientali e/o sociali nel suo portafoglio applicando un elenco di esclusione settoriale e determinati criteri di condotta per evitare investimenti in società che il Gestore degli Investimenti considera fondamentalmente non sostenibili. Questo prodotto finanziario si conforma inoltre a un obiettivo di intensità di carbonio media ponderata (WACI) per rimanere almeno il 10% al di sotto di quella dell'indice di riferimento del prodotto finanziario. Inoltre, gli investimenti in portafoglio sono tenuti a seguire pratiche di buona governance.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

Gli indicatori di sostenibilità del prodotto finanziario hanno avuto la seguente prestazione:

Indicatore di sostenibilità	**Prestazione dell'indicatore di sostenibilità**
Percentuale dei ricavi di un singolo emittente che può essere ottenuta da specifiche attività commerciali (ad esempio, la produzione di armi controverse).	Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario: • deteneva 0 emittenti (0% in termini di ponderazione) coinvolti nella fabbricazione finale di armi controverse • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dalla produzione di tabacco • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dall'estrazione del carbone o dalla produzione di elettricità legata al carbone, o emittenti con un massimo del 30% di ricavi legati al carbone che non si erano impegnati pubblicamente a smantellare i loro attivi di carbone entro il 2025.
Allineamento dell'emittente alle norme riconosciute e/o agli standard internazionali relativi al rispetto dei diritti umani, ai rapporti di lavoro, alla protezione da gravi danni ambientali e alle norme in materia di frode e/o corruzione grave.	Il Gestore degli Investimenti ha utilizzato questi indicatori per segnalare gli emittenti che potenzialmente violano i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati dai fornitori indipendenti di dati ESG del Gestore degli Investimenti poiché potenzialmente in contrasto con tali norme o standard sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario deteneva 0 emittenti (o un'esposizione dello 0% in termini di ponderazione) che il Comitato di idoneità ESG del Gestore degli Investimenti considerava a rischio di grave violazione di norme o standard riconosciuti in materia di diritti umani, rapporti di lavoro, protezione da gravi danni ambientali e frode e/o corruzione grave.
Punteggio delle controversie ESG, che misura la gravità degli incidenti legati alla sostenibilità di un emittente.	Il Gestore degli Investimenti ha monitorato il punteggio delle controversie ESG degli emittenti in portafoglio nell'ambito del suo processo di ricerca e monitoraggio continuo per identificare le società che potrebbero presentare rischi eccessivi per gli emittenti . Tuttavia questi indicatori non sono utilizzati come elementi vincolanti della politica ESG di questo prodotto d'investimento. La quota di partecipazioni del fondo con un punteggio delle controversie di 5/5, calcolata come media delle quattro percentuali di fine trimestre nel periodo di riferimento, è pari allo 0,33% degli attivi in gestione. Gli emittenti con il punteggio delle controversie più elevato (5/5) sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti che ha approvato la prosecuzione degli investimenti.
Indicatori dei principali effetti negativi secondo la definizione dell'SFDR.	Il Gestore degli Investimenti ha considerato i principali effetti negativi delle sue decisioni di investimento sui fattori di sostenibilità. I risultati di tali considerazioni sono presentati nell'Allegato I annesso al presente documento.
Margine percentuale tra l'intensità di carbonio media ponderata del portafoglio del prodotto finanziario e quella di un universo investibile comparabile di titoli, per determinare se il prodotto finanziario soddisfa o viola i suoi criteri di intensità di carbonio.	L'intensità di carbonio media ponderata di questo prodotto finanziario è rimasta inferiore di oltre il 10% (cioè meno intensiva in carbonio) rispetto a un universo investibile comparabile di titoli rappresentato dall'indice di riferimento per tutto il periodo di investimento, come illustrato nel grafico seguente. Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario, tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali.



L'indice utilizzato è l'ICE BofA BB-B US Non-Financial Cash Pay High Yield Constrained Index (JC4N) ed è stato scelto come universo d'investimento rappresentativo della strategia d'investimento di questo prodotto finanziario. La linea grigia delta ("Δ") mostra la differenza tra l'intensità di carbonio media ponderata di questo prodotto finanziario e quella dell'indice di riferimento, che dovrebbe rimanere al di sopra del "target minimo WACI".

…e rispetto ai periodi precedenti?

Non applicabile, in quanto si tratta del primo periodo di riferimento per il quale il Gestore degli Investimenti presenta una relazione.

Quali erano gli obiettivi degli Investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Questo prodotto d'investimento non aveva l'obiettivo ambientale di investire in attività economiche che si qualificano come ecosostenibili secondo la tassonomia dell'UE o che non si allineano alla tassonomia dell'UE, né in attività socialmente sostenibili. Tuttavia, il prodotto ha effettuato alcuni investimenti che rientrano nella definizione di attività commerciali allineate alla tassonomia dell'UE con attività di mitigazione e/o adattamento al clima.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione alcuni criteri di condotta aziendale relativi ai diritti umani, ai diritti del lavoro, alla tutela dell'ambiente e alle pratiche di governance attraverso il processo di due diligence e di monitoraggio continuo, al fine di garantire che le partecipazioni non danneggiassero in modo significativo gli obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione i principali effetti negativi ("PAI") sui fattori di sostenibilità al momento di prendere le decisioni di investimento relative a questo prodotto

finanziario, nell'ambito della due diligence, della ricerca e del monitoraggio continuo dei singoli emittenti e attraverso l'impegno con alcuni emittenti. Il Gestore degli Investimenti ha preso in considerazione i PAI monitorando gli indicatori obbligatori di cui alla Tabella 1 dell'Allegato 1 del regolamento delegato (UE) 2022/1288 della Commissione in relazione alle norme tecniche di regolamentazione che integrano l'SFDR. Ulteriori informazioni sulla considerazione dei fattori PAI sono disponibili alla fine di questo documento.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Il Gestore degli Investimenti considera l'allineamento degli emittenti con queste linee guida e principi come parte del suo processo di ricerca degli investimenti. Il Gestore degli Investimenti ha utilizzato indicatori forniti da fornitori indipendenti di dati ESG che segnalano gli emittenti che potenzialmente violano le linee guida dell'OCSE destinate alle imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, che a loro volta violerebbero i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Il Gestore degli Investimenti ritiene che gli investimenti effettuati nel corso del periodo di riferimento siano conformi a tali linee guida e principi.

Durante il periodo d'investimento questo prodotto finanziario è stato sottoposto a screening su base trimestrale per determinare l'allineamento con tali linee guida. Il Gestore degli Investimenti non ha ritenuto che nel periodo di riferimento si siano verificate gravi violazioni da parte delle partecipazioni a questo prodotto finanziario.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Gestore degli Investimenti ha preso in considerazione i PAI sui fattori di sostenibilità quando ha adottato le decisioni di investimento relative a questo prodotto finanziario attraverso una combinazione di decisioni di allocazione di attivi, esclusioni o sottopesi a livello di settore o di società, esclusioni basate sulla condotta, coinvolgimento degli emittenti e l'applicazione di un obiettivo di riduzione dell'intensità di carbonio. Gli elementi vincolanti della politica ESG di questo prodotto finanziario si riferiscono direttamente alla mitigazione dei PAI. Il Gestore degli Investimenti prende in considerazione altri PAI nell'ambito del suo processo di ricerca sugli investimenti, compresa la sua metodologia proprietaria di punteggio ESG, e/o delle attività di engagement. Il Gestore degli Investimenti ha classificato i PAI nella tabella sottostante secondo una priorità "bassa", "media" o " elevata", in base all'importanza che attribuisce a ciascun fattore, alla qualità o alla copertura dei dati generalmente disponibili su tali fattori e alla capacità di influenzare materialmente le società in portafoglio su tali fattori attraverso l'engagement. La politica ESG di questo prodotto finanziario ha affrontato direttamente i PAI ad alta priorità escludendo o limitando l'esposizione agli emittenti rilevanti.

In particolare, in relazione a questo prodotto finanziario, il Gestore degli Investimenti considera i fattori PAI elencati nella tabella seguente. Il Gestore degli Investimenti si procura i dati PAI da fornitori indipendenti di dati ESG e indirettamente da altre fonti di dati ESG, come i punteggi sulle controversie. I dati sui fattori PAI relativi a questo prodotto finanziario sono disponibili alla fine del presente Allegato.

PAI considerato	Priorità	Azione/i chiave relativa/e ai PAI
Emissioni GHG	Elevata	1) Il presente prodotto finanziario escludeva gli emittenti direttamente coinvolti in entità che traevano più del 10% dei loro ricavi annuali dall'estrazione di carbone termico e/o dalla produzione di energia da carbone termico, fatta salva una possibilità per le entità che il Gestore degli Investimenti riteneva avessero un piano di transizione credibile per ridurre la loro dipendenza o esposizione al carbone termico a favore di forme di energia a minore intensità di carbonio, come le energie rinnovabili. 2) Il Gestore degli Investimenti ha mantenuto un obiettivo WACI al fine di ridurre l'intensità di carbonio complessiva di questo prodotto finanziario rispetto a un indice di riferimento scelto.
Impronta di carbonio	Elevata	
Intensità di gas serra delle imprese beneficiarie degli investimenti	Elevata	
Esposizione ad attività nel settore dei combustibili fossili	Elevata	
Consumo e produzione di energie non rinnovabili	Media	Il Gestore degli Investimenti ha monitorato questi PAI attraverso rapporti mensili sulle emissioni di carbonio del portafoglio, che includono i mix energetici delle società in portafoglio e sono collegati all'obiettivo di efficienza di carbonio di questo prodotto finanziario. Il Gestore degli Investimenti ha effettuato attività di engagement con alcuni emittenti laddove ritiene che vi sia l'opportunità per l'emittente di mitigare il proprio impatto su questo fattore.
Intensità del consumo energetico per settore ad alto impatto climatico	Bassa	
Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori
Emissioni in acqua	Bassa	

Tasso di rifiuti pericolosi	Bassa	azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti
Violazione dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Elevata	Nei casi in cui il Gestore degli Investimenti o il suo fornitore indipendente di dati ESG ritenga che un emittente abbia violato gravemente i principi UNGC e le linee guida dell'OCSE destinate alle imprese multinazionali, è stato chiesto al Comitato di idoneità ESG interno del Gestore degli Investimenti di stabilire se tale emittente debba rimanere idoneo all'investimento in questo prodotto finanziario. Le decisioni del Comitato di idoneità vengono registrate e attuate tramite il team di rischio e i gestori di portafoglio del Gestore degli Investimenti.
Politiche, procedure e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Elevata	
Divario retributivo di genere non corretto	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti.
Diversità di genere nel consiglio	Media	
Esposizione ad armi controverse	Elevata	
Investimenti effettuati in imprese che non adottano iniziative per ridurre le emissioni di carbonio	Media	
Insufficiente protezione degli informatori	Media	
Assenza di una politica in materia di diritti umani	Elevata	
Assenza di politiche di lotta alla corruzione attiva e passiva	Elevata	

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:

1° gennaio 2022 – 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
Albertsons Cos/safeway	Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	1,93%	US
Connect Finco Sarl/conne	Informazione e comunicazione	1,32%	GB
Tenet Healthcare Corp	Attività dei servizi sanitari e di assistenza sociale	1,17%	US
Cleveland-cliffs Inc	Attività manifatturiere	1,17%	US
Transdigm Inc	Attività manifatturiere	1,15%	US
Spirit Loyalty Ky Ltd/ip	Trasporto e magazzinaggio	1,14%	US
Royal Caribbean Cruises	Trasporto e magazzinaggio	1,13%	US
Gray Television Inc	Informazione e comunicazione	1,10%	US
Cco Hldgs Llc/cap Corp	Informazione e comunicazione	1,09%	US
Ardagh Pkg Fin/hldgs Usa	Attività manifatturiere	1,08%	US
Tallgrass Nrg Prtnr/fin	Trasporto e magazzinaggio	1,08%	US
Amkor Technology Inc	Attività manifatturiere	1,07%	US
Uniti Grp/uniti Hld/csl	Attività immobiliari	1,04%	US
Select Medical Corp	Attività dei servizi sanitari e di assistenza sociale	1,01%	US
Legacy Lifepoint Health	Attività dei servizi sanitari e di assistenza sociale	1,01%	US

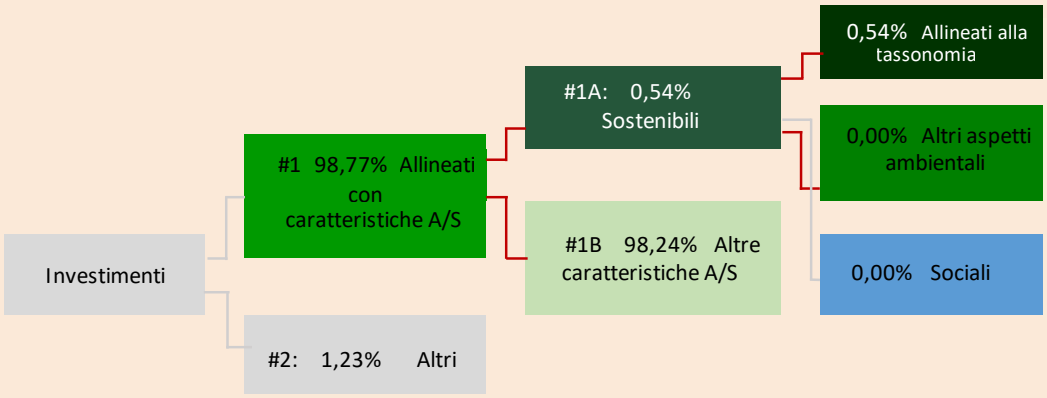
Le percentuali di attivi indicate sono calcolate come allocazione media agli emittenti al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022.

Qual è stata la quota degli investimenti in materia di sostenibilità?

La quota di investimenti legati alla sostenibilità per questo prodotto finanziario nel corso del periodo di riferimento è illustrata nel grafico seguente.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



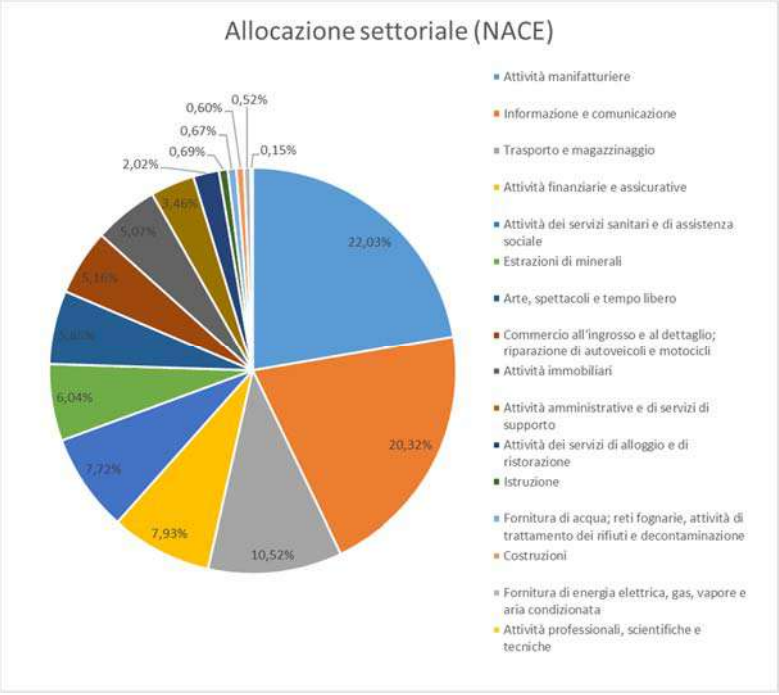
#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:
- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria **#1B Altre caratteristiche A/S**, che contempla gli investimenti allineati con le caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Conformemente alla tassonomia dell'UE, i criteri per il **gas fossile** includono limitazioni alle emissioni e il passaggio a energia completamente rinnovabile o a combustibili a basso contenuto di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri includono norme esaustive sulla sicurezza e sulla gestione delle scorie.

In quali settori economici sono stati effettuati gli investimenti?



L'allocazione settoriale è calcolata come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti.

Questo prodotto finanziario non ha fissato un'allocazione minima per gli investimenti sostenibili allineati alla tassonomia dell'UE. Tuttavia, ha effettuato alcuni investimenti allineati alla tassonomia dell'UE, come illustrato di seguito.

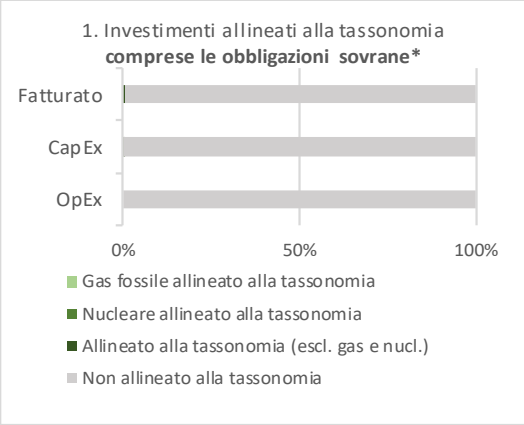
○ **Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformi alla tassonomia dell'UE[1]?**

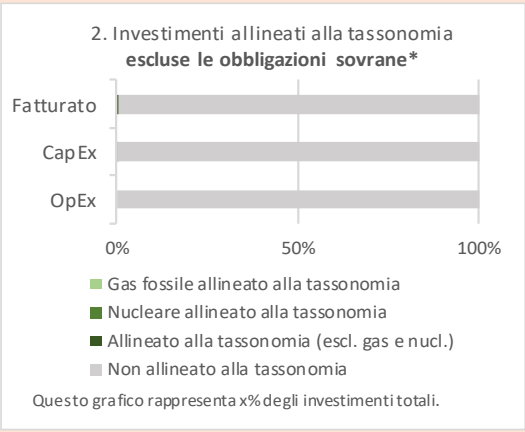
☐ Sì_____

☐ In gas fossile ☐ In energia nucleare

☒ No

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

1. Investimenti allineati alla tassonomia **comprese** le obbligazioni sovrane*	**OpEx**	**CapEx**	**Fatturato**
Gas fossile allineato alla tassonomia	0,00%	0,00%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,00%	0,00%
Allineato alla tassonomia (escl. gas e nucl.)	0,00%	0,12%	0,54%
Non allineato alla tassonomia	100,00%	99,88%	99,46%

2. Investimenti allineati alla tassonomia **escluse** le obbligazioni sovrane*	**OpEx**	**CapEx**	**Fatturato**
Gas fossile allineato alla tassonomia	0,00%	0,00%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,00%	0,00%
Allineato alla tassonomia (escl. gas e nucl.)	0,00%	0,12%	0,54%
Non allineato alla tassonomia	100,00%	99,88%	99,46%

[1]Le attività legate al gas fossile e/o al nucleare saranno conformi alla tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecheranno danni significativi ad alcun obiettivo della tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche legate all'energia fossile e nucleare conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

I dati di allineamento alla tassonomia dell'UE sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti. L'allineamento alla tassonomia del gas fossile e/o dell'energia nucleare comprende qualsiasi emittente che abbia ricavi superiori allo 0% derivanti da tali settori.

- ***Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?***

Questo prodotto finanziario ha effettuato investimenti in attività di transizione e/o abilitanti come segue:

Investimenti in attività di transizione e abilitanti	
Attività di transizione	0,00%
Attività abilitanti	0,00%

Questi dati di allineamento alla tassonomia sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

Non applicabile, in quanto si tratta del primo periodo per il quale il Gestore degli Investimenti presenta una relazione su questo prodotto finanziario.

 Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti sostenibili non allineati con la tassonomia UE.



Qual era la quota di investimenti socialmente sostenibili?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti socialmente sostenibili.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale??

Gli investimenti inclusi nella voce "#2 Altri" rappresentano liquidità ed equivalenti di liquidità, strumenti del mercato monetario e alcuni strumenti di copertura, compresi i derivati. Tali investimenti sono detenuti per una serie di motivi, tra cui, a titolo esemplificativo, la gestione del rischio e/o per garantire un'adeguata liquidità, copertura e garanzia. Il Gestore degli Investimenti ritiene che queste partecipazioni non si riferiscano direttamente a un emittente specifico e quindi non siano collegate alla gestione dei rischi di sostenibilità e/o dei PAI. Il Gestore degli Investimenti non ritiene pertanto che sia possibile effettuare una determinazione ragionevole su considerazioni relative a salvaguardie ambientali o sociali minime, in parte a caUS della mancanza di dati rilevanti relativi a tali strumenti.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore degli Investimenti effettua uno screening dell'universo investibile di questo prodotto finanziario su base trimestrale per produrre elenchi di emittenti idonei o non idonei all'investimento. Tali elenchi sono stati programmati nei sistemi di trade compliance del Gestore degli Investimenti per evitare investimenti in emittenti non idonei e per monitorare e identificare qualsiasi potenziale violazione passiva dei criteri.

Il Gestore degli Investimenti ha redatto rapporti mensili sull'impronta di carbonio per quil presente esto prodotto finanziario per garantire il rispetto del suo obiettivo di intensità di carbonio. Il Gestore degli Investimenti viene informato di eventuali violazioni per garantire che vengano rettificate entro la fine del mese successivo. Al Gestore degli Investimenti viene fornito un elenco degli emittenti con le emissioni più elevate in portafoglio, in modo da poter prendere decisioni informate in merito al mantenimento di un'intensità di carbonio inferiore agli obiettivi dichiarati.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario. Tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali. L'indice mainstream non considera i fattori ESG e non è quindi coerente con le caratteristiche ambientali e/o sociali promosse dal prodotto finanziario. L'allocazione degli attivi del portafoglio di questo prodotto finanziario non è vincolata ad alcun benchmark.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non applicabile

Additional unaudited information

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Seeyond Multi Asset Conservative Growth Fund**

Legal entity identifier: 549300XJFU886LPPMT78

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___ % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	X It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund sought to promote the environmental and social characteristics of maintaining a value weighted ESG score better than its “investment universe” (as defined below), maintaining a carbon footprint lower than that of its “investment universe”, and excluding companies that are considered as controversial and actively engaging with portfolio companies on ESG issues.No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted by the fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

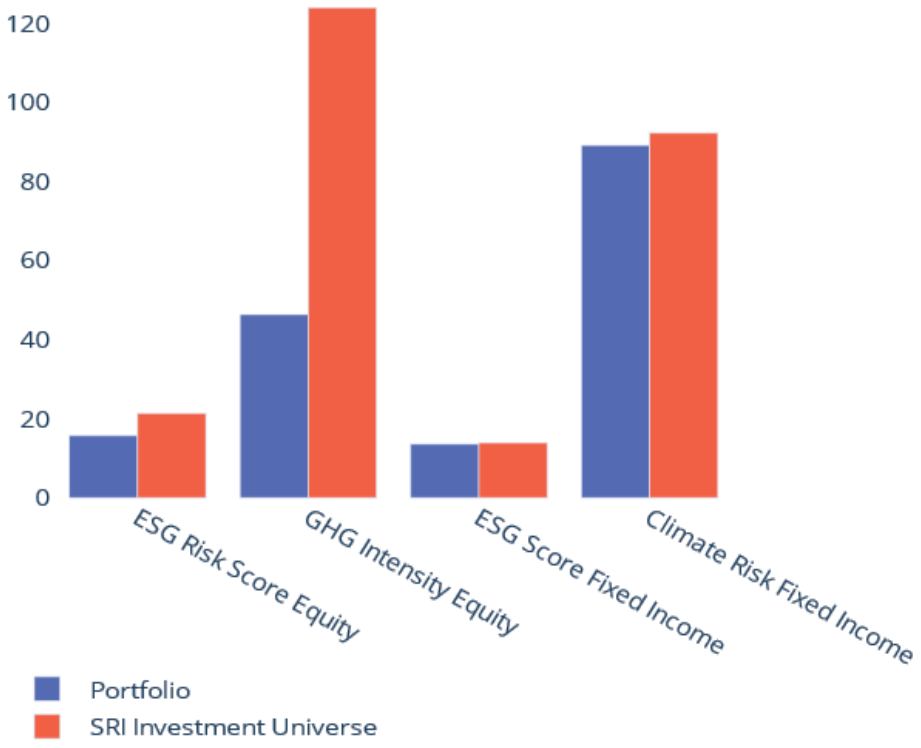
As of 30th of June 2023, the results of the sustainable indicators are :

For Equities

- ESG Risk Score Equity : 15,66
- ESG Risk Score investment universe : 21,27
- GHG Intensity Equity : 46,29
- GHG Intensity of the SRI investment universe : 123,93
- Mean percentage of independent administrators for Equity : 82,21
- Mean percentage of independent administrators of the investment universe : 80,27
- Percentage issuers, who did not respect the UN principles related to Human Rights, labour international standards, environment & anti-corruption during the investment's decision for Equity : 0%
- Percentage issuers, who did not respect the UN principles related to Human Rights, labour international standards, environment & anti-corruption during the investment's decision of the investment universe : 0,26%

For Fixed Income

- Global ESG Score Fixed Income : 13,52
- Global ESG Score investment universe : 13,86
- Climate Risk Fixed Income : 89,12
- Climate Risk of the investment universe : 92,2



- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not Applicable



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not Applicable

How were the indicators for adverse impacts on sustainability factors taken into account?

Not Applicable

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

Not Applicable



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered these impacts through the following means:

Exclusions :

For Equity : this ensures that the portfolio excludes certain issuers on the basis of specific regulatory, sectoral and normative criteria.

These exclusions include, inter alia, the following :

- As required by law, companies that are involved in the production or distribution of anti-personnel mines or duster bombs, in accordance with the Ottawa and Oslo Conventions.
- Companies involved in the production, use, storage, sale or transfer of depleted uranium, chemical and biological weapons.
- Companies whose have significant revenue exposure in coal mining and coal-fired power generation
- Companies that are involved in serious controversies are also excluded, Such as those that violate the principles of the UN Global Compact (UNGC).
  For Sovereign Bonds :The purpose of this step is to reduce the government bond investment universe on the basis of non-financial, regulatory or normative criteria, as well as relative to their ESG rating.
- Countries that are "blacklisted", i.e. under US or European embargo mentioned on the EU list of non-cooperative jurisdictions for tax purposes, or identified by the Financial Action Task Force (FATF) as having strategic deficiencies in terms of anti-money laundering or counter-terrorist financing;
- Governments having a high ESG risk per the standard developed by external rating agencies are also excluded.

Relative approach applied to Global Equities : the ESG issues considered and their impact on stock ratings may depend on the company's sector, geographic location and capitalisation size.

- Environmental (E) issues include, in particular, carbon emissions, waste treatment and water stress.
- Social (S) issues include, in particular, employee safety, human capital management, and compliance with international labour standards.
- Corporate governance (G) issues include, in particular, the composition of supervisory and governance bodies, and accounting practices.
  The first non-financial objective of the so-called "score-improving" global equity investment strategy is to improve the overall ESG rating (by relying on an ESG risk indicator supplied by a non-financial rating agency) of the securities held as compared to the investment universe from which the lowest-rated 20% of companies are excluded.

The purpose of the second "non-financial-indicator-improving" objective is to improve:

- A climate-related indicator: this consists in improving the overall carbon intensity level (total carbon emissions of a company compared to its revenue) of the securities held, in comparison With the investment universe. Aggregated to the portfolio, the objective is to achieve an average carbon intensity level below that of its investment universe
- A good governance-related indicator: this consists in improving the overall independence level of the bodies governing the securities held, as compared to the investment universe. In other words, aggregated to the portfolio, having a higher average percentage of directors meeting independence criteria than the investment universe

Global Sovereign Bonds : the ESG issues considered, and their impact on how securities are rated, are related to the nature of their issuers (sovereign states).

- Environmental (E) factors include the analysis of energy and natural resource issues.
- Social responsibility (S) factors include criteria related to meeting basic needs, health, and fairness,
- Governance (G) factors include analysis of institutions, compliance with laws and civil rights, and political stability.

The number-one objective of the "non-financial-indicator-improving sovereign bond investment strategy is to improve the overall ESG score of the securities held, compared to the investment universe filtered by our exclusion policy. This overall ESG rating is based on evaluations by an external service provider.

The second "non-financial-indicator-improving" objective is to improve climate risk measurement using a proprietary method. This measurement is based primarily on a carbon intensity analysis as well as the Governance quality of the sovereign issuers. The aim of the strategy is to improve this rating compared to the investment universe filtered by our exclusion policy.

More information on principal adverse impacts on sustainability factors is available in the periodic reporting pursuant to Article 11(2) of the SFDR.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/07/2022 - 30/06/2023

Please refer to the Top15 Investments below :

Largest Investments	Sector	% Assets	Country
US TREASURY N/B 1.625% 15-02-26	Sovereign	6.55	United States
JAPAN GOVT 10-YR 0.200% 20-09-32	Sovereign	4.33	Japan
US TREASURY N/B 0.375% 31-01-26	Sovereign	3.79	United States

US TREASURY N/B 4.125% 15-11-32	Sovereign	3.67	United States
JAPAN GOVT 5-YR 0.100% 20-09-27	Sovereign	3.30	Japan
US TREASURY N/B 4.000% 15-11-52	Sovereign	3.21	United States
JAPAN GOVT 30-YR 1.400% 20-09-52	Sovereign	2.80	Japan
UK TSY GILT 0.250% 31-07-31	Sovereign	2.43	United Kingdom
US TREASURY N/B 0.625% 15-08-30	Sovereign	2.24	United States
APPLE INC UW USD	Computer Hardware	2.21	United States
MICROSOFT CORP UW USD	Software	1.81	United States
FRANCE O.A.T. 0.750% 25-02-28	Sovereign	1.62	France
FRANCE O.A.T. 2.000% 25-11-32	Sovereign	1.54	France
JAPAN GOVT 2-YR 0.005% 01-12-24	Sovereign	1.53	Japan
CANADA-GOV'T 2.000% 01-06-32	Sovereign	1.51	Canada

The displayed country is the country of risk.

Additional unaudited information

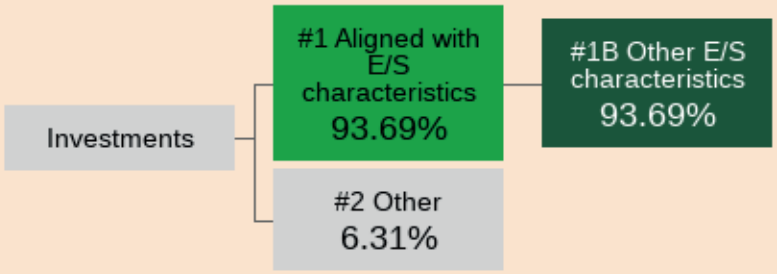
What was the proportion of sustainability-related investments?

As of 30th of June 2023, the share of sustainablilty related investment was 0%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As of 30st of June 2023, the fund invested 93.69% of its NAV in companies that qualify as aligned with E/S characteristics (#Aligned with E/S characteristics). Hence, the fund invested 6.31% in the category # Other.



#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 remainings investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environemental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

All economic sectors belonging to the investment universe except those subject to exclusions, in accordance with the exclusion policies applied by the fund

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

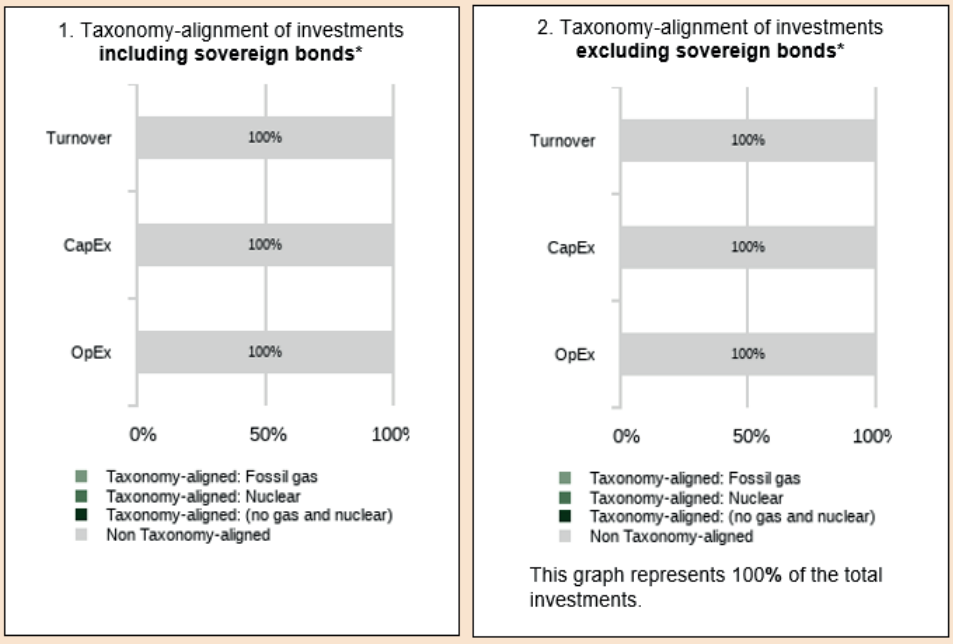
Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[1]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.



****For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

At the reporting date, based on the available reported and estimated issuer data, the management company did not identify any gas or nuclear taxonomy alignment in the investment portfolio.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

As the fund does not commit to invest in any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy ?

The fund promotes environmental and social characteristics but does not commit to making any sustainable investments. As a consequence, the fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments ?

Non Applicable



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?

Few issuers may not be covered by the ESG Analysis while cash management is used for liquidity and passive management purposes. Then the fund may include derivatives and cash positions (which are not aligned with the E/S characteristics) as well as securities of issuers that are neither aligned with the fund's E/S characteristics nor qualify as sustainable (but do meet the E/S safeguards defined in the UN Guiding Principles on Business and Human Rights).



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In compliance with the application of the models, Management team has systematically integrated Environmental, Social and Governance considerations into the investment selection process. Regular monitoring of changes in the extra-financial rating of securities is carried out to ensure that none of the investments contravene the fund's ESG philosophy



How did this financial product perform compared to the reference benchmark?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not Applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not Applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not Applicable

- ***How did this financial product perform compared with the broad market index?***

  Not Applicable

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: **Thematics AI and Robotics Fund**
Identificativo della persona giuridica: 5493004HP7GJL5FJZV84

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investi menti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ Sì	☒ No
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota pari a di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	X Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

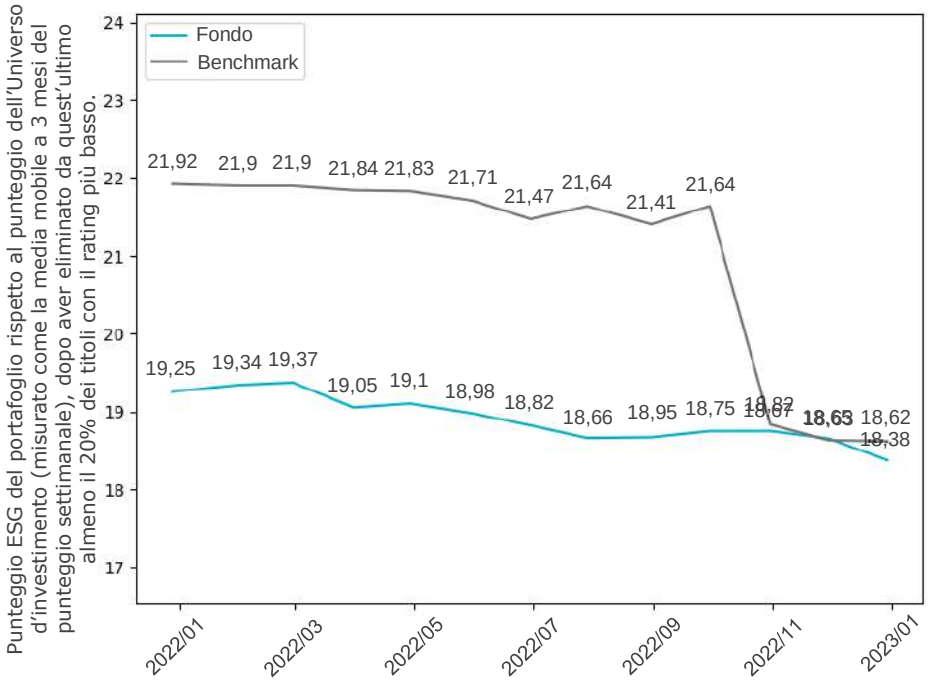
Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Il Fondo investe in società esposte alla tendenza strutturale globale dell'intelligenza artificiale e della robotica. Mira a promuovere i fattori ESG attraverso la selezione di società esposte all'ambito di applicazione del tema, evitando quelle esposte ad attività controverse, non conformi agli standard e alle norme di sostenibilità globali ed esposte a controversie ESG da elevate con prospettive negative a gravi, mantenendo un punteggio ESG migliore rispetto all'Universo d'investimento, partecipando attivamente al voto e impegnandosi con le imprese beneficiarie degli investimenti. Non è stato designato alcun indice di riferimento al fine di rispettare le caratteristiche A/S promosse dal Fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Salvo diversa indicazione, i dati sono al 31/12/2022:

1. La percentuale del patrimonio gestito del Fondo che contribuisce ai temi e soddisfa i criteri di materialità o leadership è del 100%, esclusa la liquidità.
2. La percentuale del patrimonio gestito del Fondo di emittenti che generano più del 5% dei ricavi da attività dannose e/o controverse è pari allo 0%.
3. La percentuale del patrimonio gestito del Fondo di emittenti la cui condotta e performance complessiva sono considerate non conformi alle norme e ai principi di sostenibilità globali consolidati che disciplinano la condotta societaria è pari allo 0%.
4. La percentuale del patrimonio gestito del Fondo soggetta ad analisi ESG da parte dei Gestori degli investimenti è pari al 100%.
5. Il punteggio ESG del portafoglio supera il punteggio ESG dell'Universo d'investimento (misurato come la media mobile a 3 mesi del punteggio settimanale), dopo aver eliminato almeno il 20% dei titoli con i rating più bassi di quest'ultimo, in base al punteggio del rischio ESG di terze parti esterne.



6.

1. La percentuale del patrimonio gestito del Fondo di emittenti oggetto di recente investimento che al momento dell'investimento hanno già controversie ESG elevate con prospettive negative e/o gravi è pari allo 0%
2. Il numero di emittenti già oggetto di investimento che diventano esposti a controversie ESG elevate con prospettive negative e/o gravi e che sono soggetti a un limite massimo del 2% è pari a 0, inferiore al massimo di 5.
3. Il numero di emittenti già oggetto di investimento che diventano esposti a controversie ESG elevate con prospettive negative e/o gravi e, entro un arco temporale di 6 mesi:
   - non si impegnano o,
   - sono coinvolti, ma non dimostrano un miglioramento delle prestazioni sufficiente,
   - è 0.

7.

1. La percentuale totale dei voti espressi nel 2022 è del 100%, superiore al minimo 95%.
2. La percentuale di voti espressi in base alla politica di voto basata su principi di sostenibilità del 2022 è del 100%, superiore al minimo del 95%.

8. La percentuale di emittenti investiti oggetto del coinvolgimento target è del 9%, superiore al 5% minimo.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile

In che modo gli investimenti sostenibili che il prodotto finanziario ha in parte realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non applicabile

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Non applicabile

La tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Come già detto, il Fondo ha considerato i PAI del SFDR dell'UE e altri criteri ESG in fasi diverse del suo processo d'investimento attraverso i suoi 4 approcci di sostenibilità: esclusione, valutazione basata su norme, integrazione ESG, voto e coinvolgimento.

i. Il Fondo esclude le società con i seguenti PAI: quelle esposte ad armi illegali o controverse; che generano più del 5% dei ricavi da combustibili fossili; con violazioni dei principi del Global Compact dell'ONU e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali; e società del settore energetico la cui intensità delle emissioni di gas serra non è allineata all'Accordo di Parigi. Oltre a questi PAI, il Fondo esclude anche le società con un'esposizione dei ricavi superiore al 5% alle seguenti attività: petrolio e gas convenzionali, petrolio e gas non convenzionali, armi convenzionali, piccole armi e tabacco. Su base annua, il Fondo rendiconta la propria esposizione a tali indicatori.

ii. Nell'esclusione basata su comportamenti/norme, vengono presi in considerazione i seguenti PAI: escludiamo le società che non dispongono di processi e meccanismi di conformità mirati a monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida dell'OCSE destinate alle imprese multinazionali e le Attività che influiscono negativamente sull'area sensibile alla biodiversità. Inoltre, il Fondo esclude anche le società esposte a un livello di rischio elevato e grave di controversie ESG con prospettive negative [che non dispongono di una gestione del rischio sufficiente]. Con cadenza annuale, il Fondo rendiconta la propria esposizione a società non conformi o a società esposte a controversie ESG con un livello di rischio elevato o grave.

iii. Nella nostra integrazione ESG, in cui attribuiamo un punteggio alle società in base a indicatori ESG rilevanti, vengono presi in considerazione i seguenti PAI: emissioni e intensità di gas serra; impronta di carbonio; intensità del consumo di energia per settore climatico ad alto impatto; attività che influiscono negativamente sulle aree sensibili alla biodiversità; emissioni in acqua; indice di pericolosità dei rifiuti; diversità di genere nel Consiglio; quota di consumo e produzione di energia non rinnovabile; divario retributivo di genere non corretto. Su base annuale, il Fondo rendiconta il proprio punteggio di rischio ESG rispetto al suo universo d'investimento, dimostrando una sovraperformance in termini di gestione del rischio ESG.

iv. Dopo l'investimento, votiamo in base a principi di sostenibilità e puntiamo ad alcune società per un impegno formale, incluse quelle che non dispongono di processi e meccanismi di conformità atti a monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali, nonché società che non hanno informative e processi di governance sull'intensità e sulle emissioni di gas serra, sull'impronta di carbonio e sul divario retributivo di genere non corretto. Su base annuale, il Fondo rendiconta i suoi dati di voto e i risultati del coinvolgimento per dimostrare il suo voto in linea con i principi di sostenibilità, nonché il suo voto in merito alle proposte su tematiche correlate, quali il clima e le lacune in termini di retribuzione.



Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
KLA CORP UW USD	Apparecchiature per semiconduttori	3,30%	Stati Uniti
ASML HOLDING NA EUR	Apparecchiature per semiconduttori	3,23%	Olanda
SPLUNK INC UW USD	Software applicativo	3,14%	Stati Uniti
SYNOPSYS INC UW USD	Software applicativo	3,09%	Stati Uniti
SERVICENOW UN USD	Software di sistema	3,05%	Stati Uniti
INTUITIVE UW USD	Apparecchiature sanitarie	3,01%	Stati Uniti
PTC INC UW USD	Software applicativo	2,97%	Stati Uniti
CADENCE UW USD	Software applicativo	2,92%	Stati Uniti
NVIDIA CORP UW USD	Semiconduttori	2,81%	Stati Uniti
SNOWFLAKE UN USD	Servizi Internet e infrastrutture	2,81%	Stati Uniti
KEYENCE CORP JT JPY	Apparecchiature e strumenti elettronici	2,79%	Giappone
SARTORIUS FP EUR	Strumenti e servizi per scienze	2,68%	Francia
TECAN GROUP SE CHF	Strumenti e servizi per scienze	2,66%	Svizzera
ALPHABET UW USD	Media e servizi interattivi	2,60%	Stati Uniti
FANUC CORP JT JPY	Macchinari industriali	2,49%	Giappone

Qual è stata la quota degli investimenti in materia di sostenibilità?

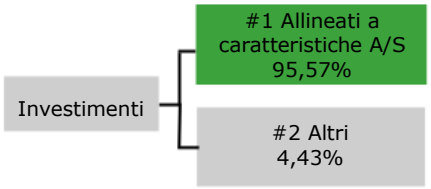
Non applicabile.

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Allineato A/S: 95,57%

Liquidità: 4,43%



#1 In linea con le caratteristiche A/S include gli investimenti del prodotto finanziario utilizzati per conseguire le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri include i restanti investimenti del prodotto finanziario che non sono in linea con le caratteristiche ambientali o sociali, né rientrano nella classificazione di investimenti sostenibili.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme generali sulla sicurezza e sulla gestione dei rifiuti.

In quali settori economici sono stati effettuati gli investimenti?

Il Fondo ha investito in tutti i settori economici ad eccezione del settore energetico.

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Non applicabile

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformi alla tassonomia dell'UE[1]?

- [ ] Sì:
  - [ ] Nel gas fossile
  - [ ] Nell'energia nucleare
- [X] No

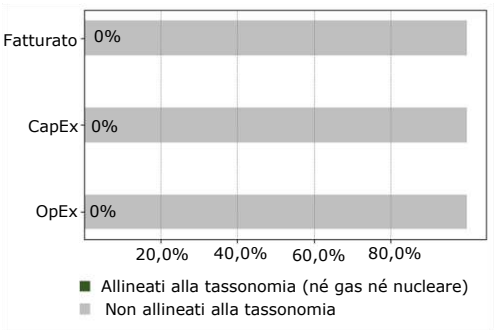
[1]Le attività legate al gas fossile e/o al nucleare saranno conformi alla tassonomia dell'UE solo se contribuiscono a limitare il cambiamento climatico ("mitigazione del cambiamento climatico") e non danneggiano in modo significativo alcun obiettivo della tassonomia dell'UE - si veda la nota esplicativa al margine sinistro. I criteri completi per le attività economiche legate ai gas fossili e all'energia nucleare conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

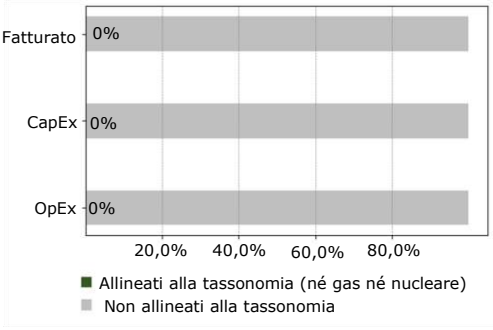
- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad es. per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti

I due grafici che seguono mostrano in verde la percentuale di investimenti che sono allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.

1.Investimenti allineati alla tassonomia **comprese le obbligazioni sovrane***



2.Investimenti allineati alla tassonomia **escluse le obbligazioni sovrane***



Questo grafico rappresenta il **100%** degli investimenti totali.

**** Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane***

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

Non applicabile

Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile

Quali investimenti erano compresi nella categoria «Altri» e qual era il loro scopo? Esistevano garanzie minime di salvaguardia ambientale o sociale?

Investimento in contanti a fini di liquidità. Questo investimento non incorpora alcuna garanzia minima di salvaguardia ambientale o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Abbiamo seguito la strategia d'investimento:

1. Screening tematico positivo

I Gestori degli investimenti selezionano i titoli:

- che contribuiscono al tema attraverso sottosegmenti tematici, che a loro volta contribuiscono a 1 o più dei seguenti obiettivi di sostenibilità: ottimizzazione dell'uso delle risorse, mitigazione e resilienza climatiche, salute e sicurezza, qualità superiore e accesso all'assistenza sanitaria e abitazioni e città smart.
- che soddisfano i requisiti di materialità o leadership dei temi.
    - Per materialità si intende: l'emittente deve generare almeno il 20% dei ricavi e/o degli utili dai rispettivi prodotti.
    - Requisiti di leadership: i prodotti dell'emittente devono, a parere dei Gestori degli investimenti, essere leader del settore, innovativi o potenzialmente rivoluzionari.

2. Esclusione basata sull'attività

Il Gestore degli investimenti ha escluso i titoli esposti ad attività dannose e controverse, quali carbone, petrolio e gas convenzionali, armi non convenzionali, ecc. Per ulteriori informazioni, fare riferimento alla nostra politica di esclusione alla pagina: https://www.thematics-am.com/en-FR/being-responsible/reports-and-publications.

3. Esclusione basata sul comportamento

Inoltre, i Gestori degli investimenti escludono sistematicamente i titoli la cui condotta e performance complessiva sono considerate non conformi alle norme e ai principi globali di sostenibilità che disciplinano il comportamento societario, in particolare in materia di tutela ambientale, diritti umani, diritti del lavoro ed etica aziendale. Questi standard includono i Principi del Global Compact delle Nazioni Unite, le Linee guida OCSE destinate alle imprese multinazionali, i Principi guida delle Nazioni Unite su imprese e diritti umani e le Convenzioni internazionali sul lavoro. Lo screening si basa su dati di terze parti.

4. Nella fase finale di costruzione del portafoglio, i Gestori degli investimenti eseguono analisi ESG utilizzando la propria valutazione ESG proprietaria guidata da quadri di materialità consolidati, quali, a titolo esemplificativo ma non esaustivo, il Sustainability Accounting Standards Board (SASB) e la

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman Corporate Hybrid Bond Fund (il "**Portafoglio**")

Identificativo della persona giuridica: 549300TMYI9EFR4Q1G47

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) ___% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali:

- ***Caratteristiche ambientali***: biodiversità e uso responsabile del suolo; riduzione dell'impronta di carbonio; gestione ambientale; emissioni di gas a effetto serra ("**GHG**"); opportunità nelle tecnologie pulite; opportunità nell'edilizia verde; opportunità nelle energie rinnovabili; approvvigionamento responsabile di materie prime; sottoscrizione responsabile e trasparente; emissioni tossiche e rifiuti; gestione dei rifiuti e gestione idrica.

- ***Caratteristiche sociali***: accesso ai finanziamenti; accesso ai farmaci; accessibilità e prezzi equi; etica aziendale e trasparenza dei rapporti con i governi; sicurezza chimica; rapporti con le comunità; approvvigionamento controverso; comportamento aziendale; sicurezza dei farmaci e gestione degli effetti collaterali; marketing e pratiche etiche; salute e nutrizione; salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; riservatezza e sicurezza dei dati; sicurezza e qualità dei prodotti; contenziosi e controversie correlate.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Nell'ambito del processo di investimento, il Subgestore degli investimenti ha considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per gli emittenti valutandoli rispetto a determinate metriche ESG.

   Il Quoziente ESG di NB si basa sulla matrice di rilevanza proprietaria di Neuberger Berman ("**NB**"), focalizzata sulle caratteristiche ESG che sono state considerate come i più probabili fattori rilevanti del rischio e delle opportunità ESG per ogni settore. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e ricavati internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del Portafoglio. La matrice di rilevanza di NB ha permesso al Subgestore degli investimenti di ricavare il rating del Quoziente ESG di NB, per confrontare le caratteristiche ambientali e sociali di settori ed emittenti.

   Il Quoziente ESG di NB ha assegnato una ponderazione alle caratteristiche ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB per gli emittenti. A tal fine, il Subgestore degli investimenti si è impegnato con emittenti con un basso Quoziente ESG di NB con l'obiettivo di migliorare nel tempo le caratteristiche ambientali e sociali sottostanti (che costituiscono il Quoziente ESG di NB).

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	58	96%
Dati di terzi	6,9	

Per quanto riguarda il rating del Quoziente NB di ESG, si usa un punteggio compreso tra 1 e 100, dove 1 rappresenta la valutazione minima e 100 quella massima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Climate Value-at-Risk:

Nel periodo di riferimento, il Climate Value-at-Risk ("**CVaR**") ha misurato l'esposizione ai rischi climatici fisici e di transizione. Il CVaR è uno strumento di analisi di scenario che valuta i rischi economici nel quadro di scenari di gradi diversi (ossia, l'entità di riscaldamento previsto) e potenziali contesti normativi in paesi differenti.

Il CVaR è un tipo di analisi di scenario che è definito come il valore attuale dei costi futuri aggregati dei rischi politici, dei profitti da opportunità tecnologiche, nonché dei costi e dei profitti di eventi meteorologici estremi espressi in percentuale del valore di mercato di un titolo o del portafoglio in funzione dello scenario climatico previsto.

Calcolando i rischi finanziari derivanti dai cambiamenti climatici per ciascun titolo e per ogni scenario, il CVaR fornisce un quadro che aiuta a quantificare e comprendere tali rischi. La metrica CVaR approfondisce l'analisi della stima in caso di stress climatico delle attività sulla base di scenari di gradi specifici, offrendo una valutazione di quanto un titolo potrebbe perdere o guadagnare a causa dell'impatto dei cambiamenti climatici.

Al 31 dicembre 2022 il CVaR aveva previsto la possibilità che uno scenario climatico di riscaldamento potesse causare un deprezzamento dell'5,22% delle attività in esame.

Questa analisi intende offrire una panoramica generale dello stile e del processo di investimento del team.

Su base globale, i risultati sono stati valutati dai gestori e analisti di portafoglio del Subgestore degli investimenti. L'analisi dello scenario è servita come punto di partenza per un'ulteriore analisi bottom-up e per individuare i potenziali rischi legati al clima da affrontare tramite l'impegno dell'emittente.

Considerate le limitazioni dei dati, il CVaR non è stato applicato a tutti gli emittenti in Portafoglio ma solo agli emittenti per i quali il Subgestore degli investimenti dispone di dati sufficienti e affidabili. Il Portafoglio aveva una copertura CVaR del 41%.

L'analisi CVaR è rivista almeno una volta all'anno.

3. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali che ha promosso, il Portafoglio non ha investito in titoli di emittenti le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse e la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico. Oltre all'applicazione della Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico, il Subgestore degli investimenti ha vietato l'apertura di nuove posizioni di investimento in titoli di emittenti che (i) ottengono più del 25% dei loro ricavi dall'estrazione di carbone termico; o (ii) stanno espandendo la produzione di energia da carbone termico. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in titoli di emittenti le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("**Principi del Global Compact delle Nazioni Unite**"), (ii) le linee guida OCSE destinate alle imprese

multinazionali ("**Linee guida dell'OCSE**"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("**Principi guida delle Nazioni Unite su imprese e diritti umani**") e (iv) gli standard internazionali del lavoro ("**Standard OIL**").

Nell'applicare le esclusioni ESG al Portafoglio, il Subgestore degli investimenti ha usato dati di terzi per individuare gli emittenti che violano le esclusioni ESG elencate sopra. Laddove possibile, il Subgestore degli investimenti ha cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'emittente. Il Subgestore degli investimenti ha discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della sua ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'emittente.

...e rispetto ai periodi precedenti?

N.d.; questo è il primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

N.d; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

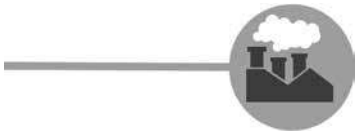
Benché il Portafoglio non si sia impegnato a detenere investimenti sostenibili, dal 6 aprile 2022 il Subgestore degli investimenti non ha investito in emittenti le cui attività siano state individuate come in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Una selezione dei principali indicatori di effetti negativi è stata considerata direttamente (ad es. tramite le politiche di esclusione ESG elencate sopra) e/o indirettamente (ad es. nell'ambito della valutazione degli emittenti da parte del Subgestore degli investimenti) per tutto il periodo di riferimento 2022.

Dal 28 novembre 2022 il Subgestore degli investimenti ha considerato i seguenti principali effetti negativi per il Portafoglio, vale a dire: emissioni di gas a effetto serra, impronta di carbonio, intensità dei gas a effetto serra, esposizione ai combustibili fossili, diversità di genere nel consiglio, violazioni dei Principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE e armi controverse (i "**PAI a livello di prodotto**").

La considerazione dei PAI a livello di prodotto è stata limitata dalla disponibilità (secondo il parere soggettivo del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Subgestore degli investimenti ha utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i PAI a livello di prodotto.

Il Subgestore degli investimenti ha considerato i PAI a livello di prodotto mediante una combinazione di:

- Monitoraggio del Portafoglio, in particolare nel caso in cui sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per ogni PAI a livello di prodotto;
- Gestione e/o definizione degli obiettivi di impegno nel caso in cui il Portafoglio sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite per un PAI a livello di prodotto; e
- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI a livello di prodotto.

Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Subgestore degli investimenti ha usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1° gennaio 2022 - 31 dicembre 2022

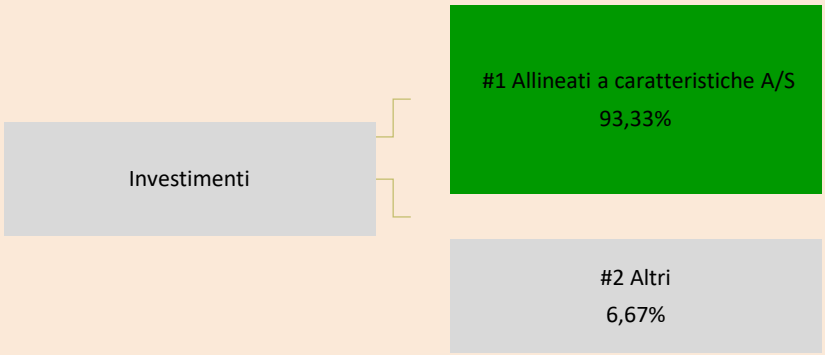
Investimenti di maggiore entità	Settore	% di attivi	Paese
NGG FINANCE PLC RegS	K - Attività finanziarie e assicurative	7,0%	Regno Unito
ELECTRICITE DE FRANCE SA MTN RegS	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	5,2%	Francia
SOUTHERN ELECTRIC GENERATING CO	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	4,9%	Stati Uniti
BAYER AG RegS	C - Attività manifatturiere	4,4%	Germania
VODAFONE GROUP PLC $60NC6 MTN RegS	J - Servizi di informazione e comunicazione	3,8%	Regno Unito
CENTRICA PLC RegS	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	3,7%	Regno Unito
VEOLIA ENVIRONNEMENT SA NC5.5 RegS	E - Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	3,5%	Francia
ENBRIDGE INC	H - Trasporto e magazzinaggio	3,4%	Canada
BP CAPITAL MARKETS PLC RegS	K - Attività finanziarie e assicurative	3,1%	Regno Unito
VOLKSWAGEN INTERNATIONAL FINANCE N RegS	K - Attività finanziarie e assicurative	2,7%	Germania
SOLVAY SA RegS	C - Attività manifatturiere	2,5%	Belgio
BAYER AG RegS	C - Attività manifatturiere	2,4%	Germania
ENBW ENERGIE BADEN WUERTTEMBERG AG RegS	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	2,1%	Germania
VEOLIA ENVIRONNEMENT SA RegS	E - Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	2,0%	Francia
EVONIK INDUSTRIES AG RegS	C - Attività manifatturiere	1,9%	Germania

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il Subgestore degli investimenti ha calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di emittenti presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un rating di terzi equivalente all'ESG e usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Subgestore degli investimenti si sia impegnato direttamente. Questo calcolo si è basato su una valutazione mark-to-market del Portafoglio e potrebbe avvalersi di dati incompleti o imprecisi dell'emittente o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022	
Settore economico – NACE	**% di attivi**
B - Attività estrattiva	0,01%
C - Attività manifatturiere	19,24%
D - Fornitura di energia elettrica, gas, vapore e aria condizionata	37,22%
E - Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	7,48%
F - Costruzioni	0,00%
G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	0,02%
H - Trasporto e magazzinaggio	3,79%
I - Servizi di alloggio e di ristorazione	0,00%
J - Servizi di informazione e comunicazione	7,80%
K - Attività finanziarie e assicurative	23,95%
L - Attività immobiliari	0,45%
M - Attività professionali, scientifiche e tecniche	0,00%
N - Attività amministrative e di servizi di supporto	0,01%
O - Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	0,02%
Q - Sanità e assistenza sociale	0,00%
U - Attività di organizzazioni e organismi extraterritoriali	0,00%

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Subgestore degli investimenti non può confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento della tassonomia verranno sviluppate man mano che il quadro UE si evolverà e gli emittenti renderanno disponibili i dati. Il Subgestore degli investimenti terrà sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

- Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

○ **Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?**

☐ Sì:

☐ Gas fossile ☐ Energia nucleare

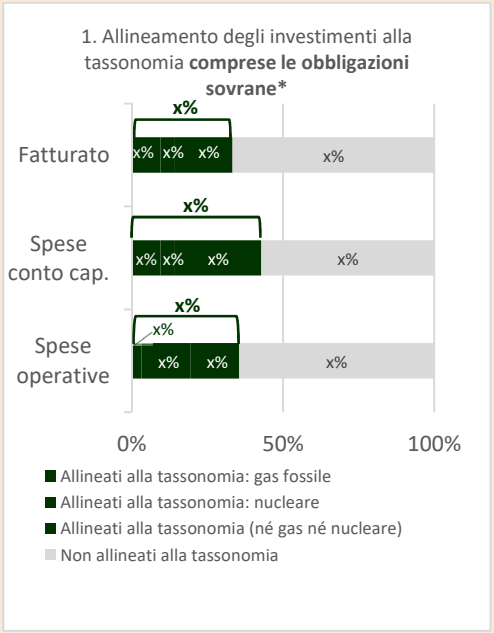
☒ No

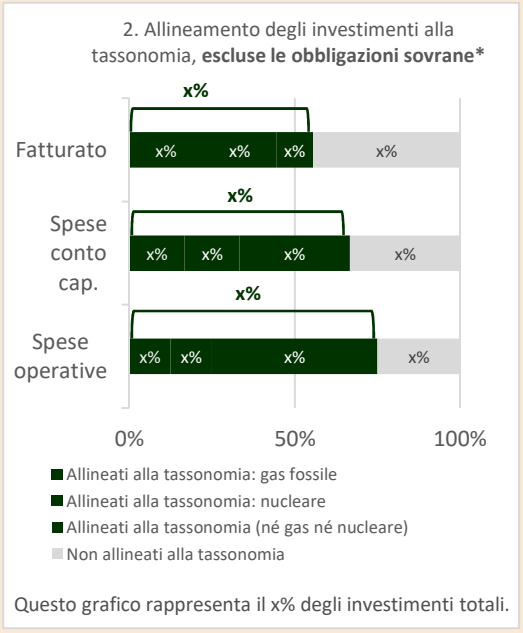
[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

- ***Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?***

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti socialmente sostenibili?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Subgestore degli investimenti vantaggiosi per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Subgestore degli investimenti ritiene che queste politiche abbiano impedito l'investimento in emittenti che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.

Le suddette misure hanno assicurato l'adozione di solide garanzie minime di salvaguardia ambientale e sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per gli emittenti in Portafoglio. Il rating del Quoziente ESG di NB per gli emittenti è stato utilizzato per semplificare l'identificazione di rischi e opportunità nella valutazione complessiva del credito e del valore.

Il Quoziente ESG di NB ha rappresentato una componente chiave dei rating creditizi interni e consentito di individuare i rischi aziendali (compresi quelli ESG) in grado di causare un deterioramento del profilo di credito di un emittente. I rating creditizi interni possono essere aumentati o diminuiti in base al rating del Quoziente ESG di NB, e questo aspetto è stato monitorato dal Subgestore degli investimenti in quanto componente importante del processo di investimento del Portafoglio.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB) nei rating creditizi interni, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.

A tal fine, il Subgestore degli investimenti si è impegnato con emittenti con un basso rating del Quoziente ESG di NB con l'obiettivo di migliorare nel tempo le caratteristiche ambientali e sociali sottostanti (che costituiscono il Quoziente ESG di NB).

II. Impegno:

Il Subgestore degli investimenti si è impegnato con gli emittenti nel quadro di un solido programma di impegno ESG. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Subgestore degli investimenti ha considerato questo impegno con gli emittenti una parte importante del suo processo di investimento. I progressi in materia di impegno sono stati monitorati a livello centrale nello strumento di tracciamento dell'impegno del Subgestore degli investimenti.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; l'indice di riferimento del Portafoglio non è stato designato come indice di riferimento. Pertanto, non è coerente con le caratteristiche ambientali o sociali promosse dal Portafoglio.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman High Yield Bond Fund (il "**Portafoglio**")

Identificativo della persona giuridica: 549300IJY8N43QRUU802

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) ___% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali:

- ***Caratteristiche ambientali***: biodiversità e uso responsabile del suolo; riduzione dell'impronta di carbonio; emissioni di gas a effetto serra ("**GHG**"); opportunità nelle tecnologie pulite; opportunità nell'edilizia verde; approvvigionamento responsabile di materie prime; pratiche e tendenze di riciclaggio; emissioni tossiche e rifiuti; gestione dei rifiuti e gestione idrica.

- ***Caratteristiche sociali***: accesso ai finanziamenti; accesso alla sanità; accesso ai farmaci; etica aziendale e trasparenza dei rapporti con i governi; sicurezza chimica; rapporti con le comunità; approvvigionamento controverso; comportamento aziendale; gestione della sicurezza e degli effetti collaterali dei farmaci; salute e nutrizione; salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; riservatezza e sicurezza dei dati; sicurezza e qualità dei prodotti; qualità delle cure e soddisfazione del paziente.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Nell'ambito del processo di investimento, il Subgestore degli investimenti ha considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per gli emittenti valutandoli rispetto a determinate metriche ESG.

   Il Quoziente ESG di NB si basa sulla matrice di rilevanza proprietaria di Neuberger Berman ("**NB**"), focalizzata sulle caratteristiche ESG che sono state considerate come i più probabili fattori rilevanti del rischio e delle opportunità ESG per ogni settore. La matrice di rilevanza di NB ha permesso al Subgestore degli investimenti di ricavare il rating del Quoziente ESG di NB, per confrontare le caratteristiche ambientali e sociali di settori ed emittenti. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e ricavati internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del Portafoglio.

   Il Quoziente ESG di NB ha assegnato una ponderazione alle caratteristiche ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB per gli emittenti. Gli emittenti con un Quoziente ESG di NB positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. La probabilità di rimozione dall'universo di investimento o dal Portafoglio è stata maggiore per un emittente con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso. Il Subgestore degli investimenti ha inoltre cercato di dare priorità agli impegni costruttivi con gli emittenti societari.

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	57	99%
Dati di terzi	5,0	

   Per quanto riguarda il rating del Quoziente NB di ESG, si usa un punteggio compreso tra 1 e 100, dove 1 rappresenta la valutazione minima e 100 quella massima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

   Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Climate Value-at-Risk:

   Nel periodo di riferimento, il Climate Value-at-Risk ("**CVaR**") ha misurato l'esposizione ai rischi climatici fisici e di transizione. Il CVaR è uno strumento di analisi di scenario che valuta i rischi economici nel quadro di scenari di gradi diversi (ossia, l'entità di riscaldamento previsto) e potenziali contesti normativi in paesi differenti.

   Il CVaR è un tipo di analisi di scenario che è definito come il valore attuale dei costi futuri aggregati dei rischi politici, dei profitti da opportunità tecnologiche, nonché dei costi e dei profitti di eventi meteorologici estremi espressi in percentuale del valore di mercato di un titolo o del portafoglio in funzione dello scenario climatico previsto.

Calcolando i rischi finanziari derivanti dai cambiamenti climatici per ciascun titolo e per ogni scenario, il CVaR fornisce un quadro che aiuta a quantificare e comprendere tali rischi. La metrica CVaR approfondisce l'analisi della stima in caso di stress climatico delle attività sulla base di scenari di gradi specifici, offrendo una valutazione di quanto un titolo potrebbe perdere o guadagnare a causa dell'impatto dei cambiamenti climatici.

Al 31 dicembre 2022 il CVaR aveva previsto la possibilità che uno scenario climatico di riscaldamento potesse causare un deprezzamento dell'11,99% delle attività in esame. Il Portafoglio aveva una copertura CVaR del 57%.

Questa analisi intende offrire una panoramica generale dello stile e del processo di investimento del team.

Su base globale, i risultati sono stati valutati dai gestori e analisti di portafoglio del Subgestore degli investimenti. L'analisi dello scenario è servita come punto di partenza per un'ulteriore analisi bottom-up e per individuare i potenziali rischi legati al clima da affrontare tramite l'impegno dell'emittente.
Considerate le limitazioni dei dati, il CVaR non è stato applicato a tutti gli emittenti in Portafoglio ma solo a coloro per i quali il Subgestore degli investimenti disponeva di dati sufficienti e affidabili.

L'analisi CVaR è rivista almeno una volta all'anno.

3. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali promosse, il Portafoglio non ha investito in titoli di emittenti le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse e la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico. Oltre all'applicazione della Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico, il Subgestore degli investimenti ha vietato l'apertura di nuove posizioni di investimento in titoli di emittenti che (i) ottengono più del 25% dei loro ricavi dall'estrazione di carbone termico; o (ii) stanno espandendo la produzione di energia da carbone termico. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in titoli di emittenti le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("**Principi del Global Compact delle Nazioni Unite**"), (ii) le linee guida OCSE destinate alle imprese multinazionali ("**Linee guida dell'OCSE**"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("**Principi guida delle Nazioni Unite su imprese e diritti umani**") e (iv) gli standard internazionali del lavoro ("**Standard OIL**").

Nell'applicare le esclusioni ESG al Portafoglio, il Subgestore degli investimenti ha usato dati di terzi per individuare gli emittenti che violano le esclusioni ESG elencate sopra. Laddove possibile, il Subgestore degli investimenti ha cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'emittente. Il Subgestore degli investimenti ha discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della sua ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'emittente.

- ***...e rispetto ai periodi precedenti?***

N.d.; questo è il primo periodo di riferimento.

- ***Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?***

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

n.d.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Benché il Portafoglio non si sia impegnato a detenere investimenti sostenibili, dal 6 aprile 2022 il Subgestore degli investimenti non ha investito in emittenti le cui attività siano state individuate come in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Una selezione dei principali indicatori di effetti negativi è stata considerata direttamente (ad es. tramite le politiche di esclusione ESG elencate sopra) e/o indirettamente (ad es. nell'ambito della valutazione degli emittenti da parte del Subgestore degli investimenti) per tutto il periodo di riferimento 2022.

Dal 28 novembre 2022, il Subgestore degli investimenti ha considerato i seguenti principali effetti negativi, vale a dire: emissioni di gas a effetto serra, impronta di carbonio, intensità dei gas a effetto serra, esposizione ai combustibili fossili, diversità di genere nel consiglio, violazioni dei Principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE e armi controverse (i "**PAI a livello di prodotto**").

La considerazione dei PAI è stata limitata dalla disponibilità (secondo il parere soggettivo del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Subgestore degli investimenti ha utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i PAI.

Il Subgestore degli investimenti ha considerato i PAI a livello di prodotto mediante una combinazione di:

- Monitoraggio del Portafoglio, in particolare nel caso in cui sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per ogni PAI a livello di prodotto;
- Gestione e/o definizione di obiettivi di impegno nel caso in cui il Portafoglio sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per un PAI a livello di prodotto; e
- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI a livello di prodotto.



Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Subgestore degli investimenti ha usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1° gennaio 2022 - 31 dicembre 2022

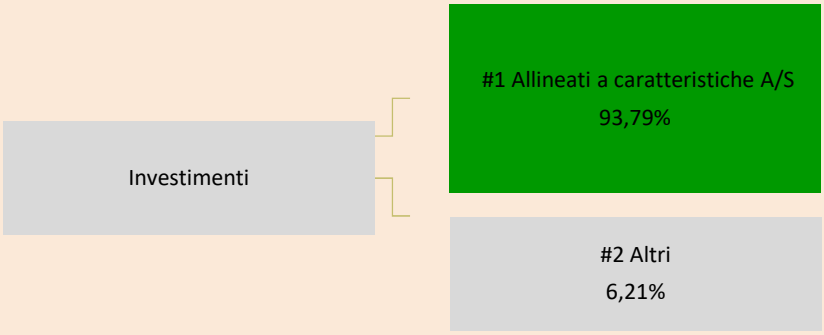
Investimenti di maggiore entità	Settore	% di attivi	Paese
AMERICAN AIRLINES INC 144A	H - Trasporto e magazzinaggio	1,2%	Stati Uniti
LEVEL 3 FINANCING INC 144A	K - Attività finanziarie e assicurative	1,1%	Stati Uniti
GLOBAL AIRCRAFT LEASING CO LTD 144A	N - Attività amministrative e di servizi di supporto	1,0%	Isole Cayman
CSC HOLDINGS LLC 144A	J - Servizi di informazione e comunicazione	0,9%	Stati Uniti
AMERICAN AIRLINES INC 144A	H - Trasporto e magazzinaggio	0,8%	Stati Uniti
ONEMAIN FINANCE CORP	K - Attività finanziarie e assicurative	0,8%	Stati Uniti
NB GLOBAL MONTHLY INCOME FUND LTD	K - Attività finanziarie e assicurative	0,8%	Guernsey, Isole del Canale
ALLIANT HOLDINGS INTERMEDIATE LLC 144A	K - Attività finanziarie e assicurative	0,8%	Stati Uniti
CCO HOLDINGS LLC 144A	J - Servizi di informazione e comunicazione	0,8%	Stati Uniti
REALOGY GROUP LLC / REALOGY CO ISS 144A	L - Attività immobiliari	0,7%	Stati Uniti
NEW FORTRESS ENERGY INC 144A	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	0,7%	Stati Uniti
MOZART DEBT MERGER SUB INC 144A	K - Attività finanziarie e assicurative	0,7%	Stati Uniti
HARVEST MIDSTREAM I LP 144A	H - Trasporto e magazzinaggio	0,7%	Stati Uniti
PAREXEL 2L TL-B 7/21 Prvt	N - Attività amministrative e di servizi di supporto	0,6%	Stati Uniti
REALOGY GROUP LLC 144A	L - Attività immobiliari	0,6%	Stati Uniti

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il Subgestore degli investimenti ha calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di emittenti presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un rating di terzi equivalente all'ESG e usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Subgestore degli investimenti si sia impegnato direttamente. Questo calcolo si è basato su una valutazione mark-to-market del Portafoglio e potrebbe avvalersi di dati incompleti o imprecisi dell'emittente o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

- Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022	
Settore economico – NACE	**% di attivi**
B - Attività estrattiva	7,76%
C - Attività manifatturiere	11,86%
D - Fornitura di energia elettrica, gas, vapore e aria condizionata	4,32%
F - Costruzioni	1,57%
G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	3,10%
H - Trasporto e magazzinaggio	10,75%
I - Servizi di alloggio e di ristorazione	0,46%
J - Servizi di informazione e comunicazione	15,88%
K - Attività finanziarie e assicurative	19,32%
L - Attività immobiliari	4,55%
M - Attività professionali, scientifiche e tecniche	0,73%
N - Attività amministrative e di servizi di supporto	10,24%
P - Istruzione	0,04%
Q - Sanità e assistenza sociale	3,48%
R - Attività artistiche, di intrattenimento e divertimento	1,48%
S - Altre attività di servizi	0,35%
Nessuna	4,08%

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Subgestore degli investimenti non può confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento della tassonomia verranno sviluppate man mano che il quadro UE si evolverà e gli emittenti renderanno disponibili i dati. Il Subgestore degli investimenti terrà sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Sì:

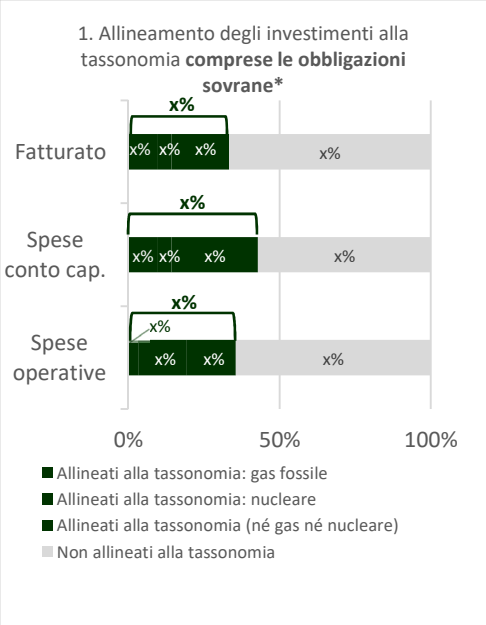
☐ Gas fossile ☐ Energia nucleare

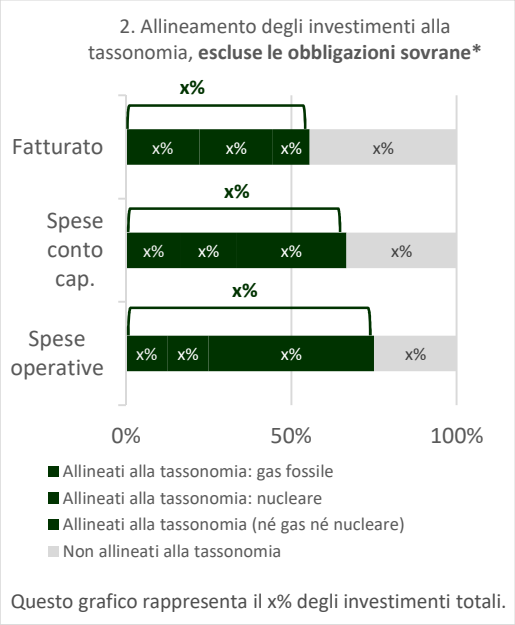
☒ No

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

- ***Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?***

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.



Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.



Qual era la quota di investimenti socialmente sostenibili?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Subgestore degli investimenti vantaggiosi per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Subgestore degli investimenti ritiene che queste politiche abbiano impedito l'investimento negli emittenti che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.

Le suddette misure hanno assicurato l'adozione di solide garanzie minime di salvaguardia ambientale e sociale.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per gli emittenti in Portafoglio. Il rating del Quoziente ESG di NB per gli emittenti è stato utilizzato per semplificare l'identificazione di rischi e opportunità nella valutazione complessiva del credito e del valore.

Il Quoziente ESG di NB ha rappresentato una componente chiave dei rating creditizi interni e consentito di individuare i rischi aziendali (compresi quelli ESG) in grado di causare un deterioramento del profilo di credito di un emittente. I rating creditizi interni possono essere aumentati o diminuiti in base al rating del Quoziente ESG di NB, e questo aspetto è stato monitorato dal Subgestore degli investimenti in quanto componente importante del processo di investimento del Portafoglio.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB) nei rating creditizi interni, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.
Gli emittenti con un Quoziente ESG di NB o un rating di terzi positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. La probabilità di rimozione dall'universo di investimento o dal Portafoglio è stata maggiore per un emittente con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso.

II. Impegno:

Il Subgestore degli investimenti si è impegnato con gli emittenti nel quadro di un solido programma di impegno ESG. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Subgestore degli investimenti ha considerato questo impegno con gli emittenti una parte importante del suo processo di investimento. I progressi in materia di impegno sono stati monitorati a livello centrale nello strumento di tracciamento dell'impegno del Subgestore degli investimenti.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; l'indice di riferimento del Portafoglio non è stato designato come indice di riferimento. Pertanto, non è coerente con le caratteristiche ambientali o sociali promosse dal Portafoglio.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman Short Duration Emerging Market Debt Fund (il "**Portafoglio**")

Identificativo della persona giuridica: 549300J30SXW5866TW70

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 28,08%* di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☒ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

*Per ulteriori dettagli sulla quota minima di investimenti sostenibili che hanno promosso caratteristiche ambientali o sociali, si rimanda alla domanda "*Qual è stata la quota degli investimenti in materia di sostenibilità?*" nel prosieguo.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali per gli emittenti sovrani:

- ***Caratteristiche ambientali***: efficienza energetica degli emittenti sovrani; adattamento ai cambiamenti climatici; deforestazione; emissioni di gas a effetto serra ("**GHG**"); inquinamento atmosferico e domestico; e servizi igienico-sanitari non sicuri.

- ***Caratteristiche sociali***: progressi verso gli obiettivi di sviluppo sostenibile ("**SDG**") delle Nazioni Unite; livelli di salute e istruzione; qualità della regolamentazione; stabilità politica e libertà; parità di genere; e ricerca e sviluppo.

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali per gli emittenti societari:

- ***Caratteristiche ambientali:*** biodiversità e uso del suolo; emissioni di carbonio; opportunità nelle tecnologie pulite; stress idrico; emissioni tossiche e rifiuti; impatto ambientale dei finanziamenti; impronta di carbonio dei prodotti; politica ambientale; sistema di gestione ambientale; programma di riduzione dei gas a effetto serra; politica per gli appalti verdi; e programmi per le emissioni atmosferiche di gas non a effetto serra.

- ***Caratteristiche sociali:*** salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; riservatezza e sicurezza dei dati; sicurezza e qualità dei prodotti; sicurezza dei prodotti finanziari; politica in materia di discriminazione; programmi di coinvolgimento della comunità; programmi per la diversità e politica in materia di diritti umani.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Nell'ambito del processo di investimento, il Gestore e il Subgestore degli investimenti hanno considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per gli emittenti valutandoli rispetto a determinate metriche ESG.

   Il Quoziente ESG di NB ha assegnato una ponderazione alle caratteristiche ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB per gli emittenti. Il Gestore e il Subgestore degli investimenti hanno usato il Quoziente ESG di NB per promuovere le caratteristiche ambientali e sociali elencate, dando la priorità agli investimenti in titoli di emittenti con un rating del Quoziente ESG di NB relativamente positivo e/o in via di miglioramento. Di conseguenza, il Gestore e il Subgestore degli investimenti hanno limitato l'esposizione agli emittenti con il peggiore rating del Quoziente ESG di NB, salvo ove vi fosse un'aspettativa ragionevole di miglioramento del rating del Quoziente ESG di NB nel corso del tempo.

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	55	95%
Dati di terzi	4,2	

Per quanto riguarda il rating del Quoziente NB di ESG, si usa un punteggio compreso tra 1 e 100, dove 1 rappresenta la valutazione minima e 100 quella massima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali promosse, il Portafoglio non ha investito in titoli di emittenti le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse e la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico. Il Portafoglio sta gradualmente eliminando l'esposizione al carbone termico e ha vietato l'investimento in titoli di emittenti che ottengono più del 10% dei ricavi dall'estrazione di carbone termico o che stanno espandendo la generazione di energia da carbone termico, come determinato in base a criteri di vaglio interni. Il Portafoglio ha inoltre vietato gli investimenti in emittenti nel settore della produzione di energia che utilizzano carbone termico come fonte energetica per più del 95% della loro capacità installata di generazione di energia, che stanno espandendo la generazione di energia da carbone termico, o i cui bilanci di previsione delle spese in conto capitale a fini di espansione non comprendano una soglia minima per gli investimenti non in carbone, come determinato in base a criteri di vaglio interni. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in titoli di emittenti le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("Principi del Global Compact delle Nazioni Unite"), (ii) le linee guida OCSE destinate alle imprese multinazionali ("Linee guida dell'OCSE"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("Principi guida delle Nazioni Unite su imprese e diritti umani") e (iv) gli standard internazionali del lavoro ("Standard OIL"). Il Portafoglio ha inoltre escluso i titoli di emittenti coinvolti in lavoro minorile diretto, nel settore del tabacco, nonché di alcuni emittenti con un'esposizione significativa alle sabbie bituminose.

Nell'applicare le esclusioni ESG al Portafoglio, il Gestore e il Subgestore degli investimenti hanno usato dati di terzi per individuare gli emittenti che violano le esclusioni ESG elencate sopra. Laddove possibile, il Gestore e il Subgestore degli investimenti hanno cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'emittente. Il Gestore e il Subgestore degli investimenti hanno discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della loro ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'emittente.

- ***…e rispetto ai periodi precedenti?***

N.d.; questo è il primo periodo di riferimento.

- ***Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?***

Sebbene abbia promosso caratteristiche ambientali e sociali, questo Portafoglio non aveva un obiettivo di investimento sostenibile. Tuttavia, il Portafoglio ha detenuto investimenti sostenibili che hanno promosso le caratteristiche ambientali e sociali elencate sopra.

La considerazione degli investimenti effettuati dal Portafoglio in quanto investimenti sostenibili è stata effettuata in riferimento al quadro di investimenti sostenibili di NB. Questo quadro comprendeva una valutazione per stabilire (i) se l'investimento contribuisce a un obiettivo ambientale e/o sociale, (ii) se l'investimento arreca un danno significativo a tali obiettivi (come descritto di seguito) e (iii) una valutazione del rating complessivo di governance dell'emittente per determinare se l'emittente ottiene una valutazione di buona governance.

Nell'ambito di questo quadro di investimenti sostenibili, il Gestore e il Subgestore degli investimenti sono ricorsi a numerosi dati che misurano l'allineamento dell'attività economica di un emittente alle caratteristiche ambientali o sociali.

Il Gestore e il Subgestore degli investimenti hanno vagliato gli emittenti alla ricerca di controversie, danni significativi e violazioni delle garanzie minime di salvaguardia. Laddove gli emittenti hanno superato questo vaglio, il Gestore e il Subgestore degli investimenti hanno proceduto a misurare il contributo economico ambientale o sociale degli emittenti.

Per gli emittenti societari, il Gestore e il Subgestore degli investimenti hanno misurato questo aspetto in due modi:

- Allineamento delle entrate alla tassonomia dell'UE (eventuale); e
- Allineamento delle entrate agli Obiettivi di sviluppo sostenibile ("**SDG**") delle Nazioni Unite.

La considerazione dell'allineamento delle entrate agli SDG è stata limitata dalla disponibilità - secondo il parere soggettivo del Gestore e del Subgestore degli investimenti - di una copertura adeguata, affidabile e verificabile dei dati. Per contenere i casi di scarsa copertura dei dati, il Gestore e il Subgestore degli investimenti hanno utilizzato dati di terzi e dati surrogati insieme alla ricerca interna e all'analisi qualitativa nell'ambito del quadro di investimenti sostenibili di NB.

Per gli emittenti sovrani, il Gestore e il Subgestore degli investimenti hanno misurato questo aspetto nei modi seguenti:

- Progressi a livello di adattamento e mitigazione dei cambiamenti climatici; e
- Progressi a livello di conseguimento degli SDG, con particolare riguardo all'aspettativa di vita e all'istruzione

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Nell'ambito del quadro di investimenti sostenibili del Gestore e del Subgestore degli investimenti, sono stati esclusi gli investimenti che arrecano danni significativi agli obiettivi ambientali o sociali. Per stabilire se un investimento arreca un danno significativo, il Gestore e il Subgestore degli investimenti hanno considerato il danno significativo con riferimento a determinati indicatori principali di effetti negativi e alle violazioni delle garanzie minime di salvaguardia.

Il Gestore e il Subgestore degli investimenti hanno considerato i seguenti principali indicatori di effetti negativi per stabilire se gli investimenti sostenibili effettuati dal Portafoglio non abbiano arrecato danni significativi ad alcun obiettivo di investimento sostenibile ambientale o sociale: emissioni di gas a effetto serra; impronta di carbonio; intensità dei gas a effetto serra degli emittenti; esposizione a emittenti attivi nel settore dei combustibili fossili; quota di consumo e produzione di energia non rinnovabile; intensità di consumo energetico per settore ad alto impatto climatico; attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità; emissioni in acqua; rapporto tra rifiuti pericolosi e rifiuti radioattivi; violazioni dei Principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE; mancanza di procedure e meccanismi di conformità per monitorare la conformità ai Principi del Global Compact delle Nazioni Unite e alle Linee guida dell'OCSE; divario retributivo di genere non corretto, diversità di genere nel consiglio; ed esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche, i "**PAI**") per gli emittenti societari e intensità dei gas a effetto serra e paesi che beneficiano degli investimenti soggetti a violazioni sociali (i "**PAI sovrani**") per gli emittenti sovrani.

La considerazione dei PAI è stata limitata dalla disponibilità (secondo il parere soggettivo del Gestore e del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Gestore e il Subgestore degli investimenti hanno utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i PAI.

Il Gestore e il Subgestore degli investimenti hanno considerato anche le violazioni delle garanzie minime di salvaguardia. Dal 6 aprile 2022, il Gestore e il Subgestore degli investimenti non hanno investito in emittenti le cui attività siano state identificate come in violazione delle Linee guida dell'OCSE,

dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

La combinazione di tutti questi fattori ha generato una convalida quantitativa di "sostenibilità" che è stata usata per garantire che gli investimenti sostenibili effettuati dal Portafoglio non hanno arrecato un danno significativo ad alcun obiettivo sostenibile ambientale o sociale.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Il Gestore e il Subgestore degli investimenti hanno considerato i PAI al momento di stabilire se gli investimenti sostenibili effettuati dal Portafoglio non abbiano arrecato un danno significativo ad alcun obiettivo di investimento sostenibile ambientale o sociale degli investimenti sostenibili del Portafoglio, mediante una combinazione di:

- Monitoraggio degli emittenti che siano scesi sotto le soglie di tolleranza quantitative e qualitative stabilite per ogni PAI dal Gestore e dal Subgestore degli investimenti;
- Gestione e/o definizione di obiettivi di impegno con emittenti che siano scesi sotto le soglie di tolleranza quantitative e qualitative stabilite per un PAI dal Gestore e dal Subgestore degli investimenti; e
- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Dal 6 aprile 2022, il Gestore e il Subgestore degli investimenti non hanno investito in emittenti le cui attività siano state individuate come in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Una selezione dei principali indicatori di effetti negativi è stata considerata direttamente (ad es. tramite le politiche di esclusione ESG elencate sopra) e/o indirettamente (ad es. nell'ambito della valutazione degli emittenti da parte del Gestore e del Subgestore degli investimenti) per tutto il periodo di riferimento 2022.

Il Gestore e il Subgestore degli investimenti hanno considerato i PAI rispetto al Portafoglio in due modi:

1. Tutti i PAI sono stati considerati al momento di stabilire se gli investimenti sostenibili effettuati dal Portafoglio non avessero arrecato un danno significativo ad alcun obiettivo di investimento sostenibile ambientale o sociale, come sopra spiegato.

2. Dal 28 novembre 2022, il Gestore e il Subgestore degli investimenti hanno considerato i seguenti principali effetti negativi sui fattori di sostenibilità in relazione agli investimenti del Portafoglio che promuovevano caratteristiche ambientali o sociali, ossia: PAI sovrani per gli emittenti sovrani ed emissioni di gas a effetto serra, impronta di carbonio, intensità dei gas a effetto serra, esposizione a combustibili fossili e diversità di genere nel consiglio per gli emittenti societari (congiuntamente i "**PAI a livello di prodotto**").

La considerazione dei PAI a livello di prodotto è stata limitata dalla disponibilità (secondo il parere soggettivo del Gestore e del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Gestore e il Subgestore degli investimenti hanno utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i PAI a livello di prodotto.

Il Gestore e il Subgestore degli investimenti hanno considerato i PAI a livello di prodotto mediante una combinazione di:

- Monitoraggio del Portafoglio, in particolare nel caso in cui sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Gestore e dal Subgestore degli investimenti per ogni PAI a livello di prodotto;

- Gestione e/o definizione di obiettivi di impegno nel caso in cui il Portafoglio sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Gestore e dal Subgestore degli investimenti per un PAI a livello di prodotto; e

- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI a livello di prodotto.

Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Gestore e il Subgestore degli investimenti hanno usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1° gennaio 2022 - 31 dicembre 2022

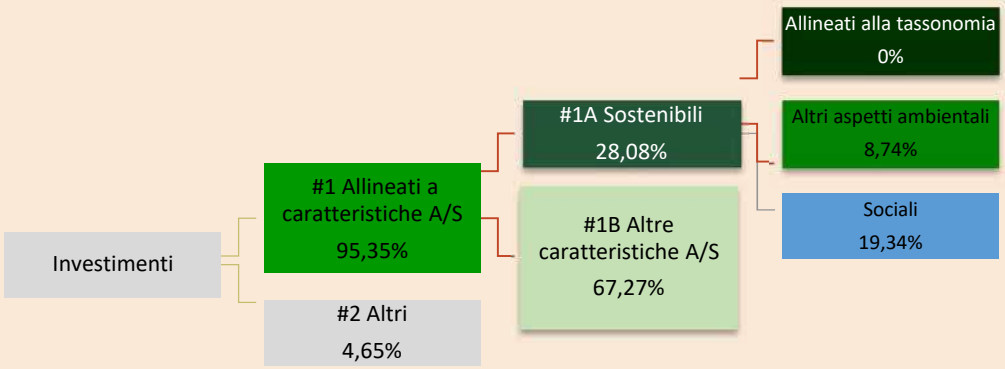
Investimenti di maggiore entità	Settore	% di attivi	Paese
STATE OIL CO OF AZERBAIJAN REPUBLI MTN	B - Attività estrattiva	1,4%	Azerbaijan
NB EURO SHORT TERM ENHANC USD CL Z	n.d.	1,4%	Irlanda
BRAZIL MINAS SPE RegS	K - Attività finanziarie e assicurative	1,3%	Brasile
REPUBLIC OF COLOMBIA	O - Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	1,2%	Colombia
SOUTHERN GAS CORRIDOR CJSC RegS	H - Trasporto e magazzinaggio	1,1%	Azerbaijan
1MDB GLOBAL INVESTMENTS LTD RegS	K - Attività finanziarie e assicurative	1,1%	Malaysia
PETROLEOS MEXICANOS	B - Attività estrattiva	1,0%	Messico
ANGOLA GOVERNMENT BOND RegS	O - Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	1,0%	Angola
QNB FINANCE LTD MTN RegS	K - Attività finanziarie e assicurative	0,9%	Qatar
QATAR PETROLEUM RegS	B - Attività estrattiva	0,9%	Qatar
EGYPT (ARAB REPUBLIC OF) MTN RegS	O - Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	0,9%	Egitto
SAUDI ARABIAN OIL CO MTN RegS	B - Attività estrattiva	0,9%	Arabia Saudita
COMISION FEDERAL DE ELECTRICIDAD RegS	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	0,9%	Messico
QATAR GOVERNMENT BOND RegS	O - Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	0,8%	Qatar
SASOL FINANCING USA LLC	K - Attività finanziarie e assicurative	0,8%	Sudafrica

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il Gestore e il Subgestore degli investimenti hanno calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di emittenti presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un rating ESG equivalente di terzi usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Gestore e il Subgestore degli investimenti si siano impegnati direttamente. Questo calcolo si è basato su una valutazione mark-to-market del Portafoglio e potrebbe avvalersi di dati incompleti o imprecisi dell'emittente o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:
- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;

- la sottocategoria **#1B Altri investimenti allineati alle caratteristiche A/S**, che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022

Settore economico – NACE	% di attivi
B - Attività estrattiva	8,89%
C - Attività manifatturiere	4,58%
D - Fornitura di energia elettrica, gas, vapore e aria condizionata	3,35%
E - Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	0,00%
F - Costruzioni	0,44%
G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	0,34%
H - Trasporto e magazzinaggio	2,36%
I - Servizi di alloggio e di ristorazione	0,73%
J - Servizi di informazione e comunicazione	0,30%
K - Attività finanziarie e assicurative	51,31%
L - Attività immobiliari	0,52%
M - Attività professionali, scientifiche e tecniche	0,07%
N - Attività amministrative e di servizi di supporto	0,83%
O - Pubblica amministrazione e difesa; previdenza sociale obbligatoria	23,36%
R - Attività artistiche, di intrattenimento e divertimento	0,35%
U - Attività di organizzazioni e organismi extraterritoriali	1,36%
Nessuna	1,22%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

- Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Gestore e il Subgestore degli investimenti non possono confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento della tassonomia verranno sviluppate man mano che il quadro UE si evolverà e gli emittenti renderanno disponibili i dati. Il Gestore e il Subgestore degli investimenti terranno sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Sì:

☐ Gas fossile ☐ Energia nucleare

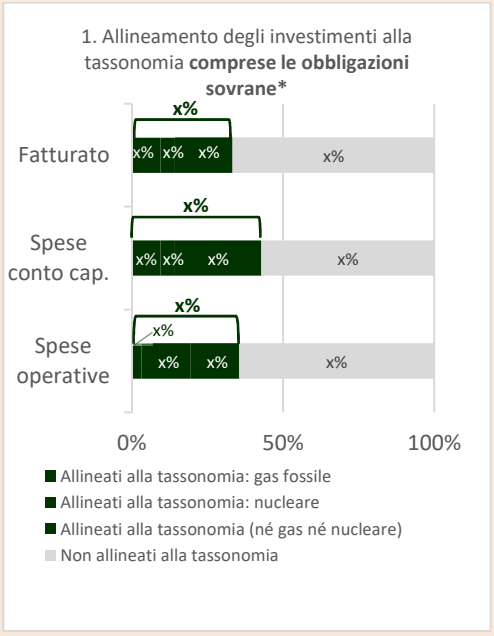
☒ No

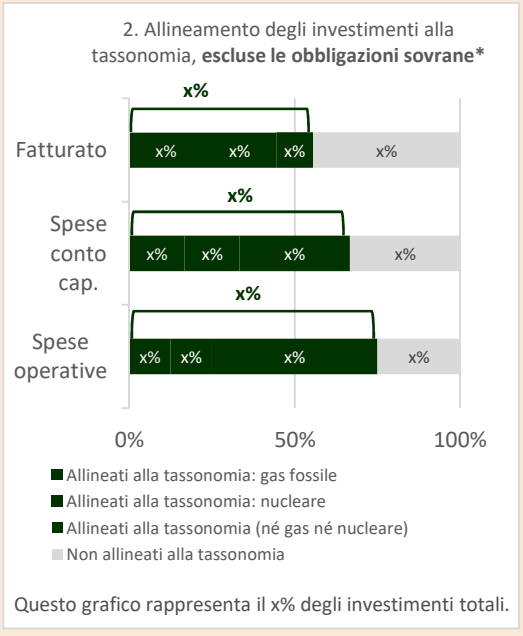
[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

- ***Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

8,74%

Il Portafoglio ha effettuato collocamenti in investimenti sostenibili con un obiettivo ambientale, i quali non si sono tuttavia impegnati ad allinearsi alla tassonomia.

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti socialmente sostenibili?

19,34%

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Gestore e dal Subgestore degli investimenti vantaggiosi per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Gestore e il Subgestore degli investimenti ritengono che queste politiche abbiano impedito l'investimento negli emittenti che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.

Le suddette misure hanno assicurato l'adozione di solide garanzie minime di salvaguardia ambientale e sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per gli emittenti in Portafoglio. Il rating del Quoziente ESG di NB per gli emittenti è stato utilizzato per semplificare l'identificazione di rischi e opportunità nella valutazione complessiva del credito e del valore.

Il Quoziente ESG di NB ha rappresentato una componente chiave dei rating creditizi interni e consentito di individuare i rischi aziendali (compresi quelli ESG) in grado di causare un deterioramento del profilo di credito di un emittente. I rating creditizi interni possono essere aumentati o diminuiti in base al rating del Quoziente ESG di NB, e questo aspetto è stato monitorato dal Gestore e dal Subgestore degli investimenti in quanto componente importante del processo di investimento del Portafoglio.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB) nei rating creditizi interni, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.
Gli emittenti con un Quoziente ESG di NB o un rating di terzi positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. Sono stati esclusi dal Portafoglio gli emittenti con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso.

II. Impegno:

Il Gestore e il Subgestore degli investimenti si sono impegnati con gli emittenti nel quadro di un solido programma di impegno ESG. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Gestore e il Subgestore degli investimenti considerano questo impegno con gli emittenti una parte importante del loro processo di investimento. I progressi in materia di impegno sono stati monitorati a livello centrale nello strumento di tracciamento dell'impegno del Gestore e del Subgestore degli investimenti.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; l'indice di riferimento del Portafoglio non è stato designato come indice di riferimento. Pertanto, non è coerente con le caratteristiche ambientali o sociali promosse dal Portafoglio.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman Short Duration High Yield SDG Engagement Fund (il "**Portafoglio**")

Identificativo della persona giuridica: 5493009EN8Z7034TFP15

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) ___% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali:

- ***Caratteristiche ambientali***: biodiversità e uso responsabile del suolo; riduzione dell'impronta di carbonio; emissioni di gas a effetto serra ("**GHG**"); opportunità nelle tecnologie pulite; opportunità nell'edilizia verde; approvvigionamento responsabile di materie prime; pratiche e tendenze di riciclaggio; emissioni tossiche e rifiuti; gestione dei rifiuti e gestione idrica.

  Al fine di allineare il Portafoglio all'obiettivo di azzeramento delle emissioni nette, il Subgestore degli investimenti ha promosso e continua a promuovere la riduzione dell'impronta di carbonio del Portafoglio per quanto riguarda le emissioni di gas a effetto serra di ambito 1, 2 e di ambito rilevante 3,[1] per realizzare l'ambizione del Portafoglio di conseguire una riduzione del 50% entro il 2030 rispetto allo scenario di riferimento del 2019 e conseguenti cali fino a raggiungere l'azzeramento delle emissioni nette entro il 2050. Lo scenario di riferimento 2019 potrebbe essere ricalcolato man mano che la qualità e le informative si amplieranno nel tempo, in particolare per quanto riguarda le emissioni di ambito 3.

- ***Caratteristiche sociali***: accesso ai finanziamenti; accesso alla sanità; accesso ai farmaci; etica aziendale e trasparenza dei rapporti con i governi; sicurezza chimica; rapporti con le comunità; approvvigionamento controverso; comportamento aziendale; gestione della sicurezza e degli effetti collaterali dei farmaci; salute e nutrizione; salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; riservatezza e sicurezza dei dati; sicurezza e qualità dei prodotti; qualità delle cure e soddisfazione del paziente.

Il Subgestore degli investimenti ha mantenuto un rating ESG medio del Portafoglio superiore a quello del mercato high yield USA generale, rappresentato dall'indice ICE BofA U.S. High Yield, valutato sulla base di rating ESG di terzi comunicati da un fornitore esterno riconosciuto. Questo calcolo si è basato sul rating ESG del Portafoglio in ciascuna delle quattro chiusure dei trimestri civili nel periodo di riferimento 2022. Il Portafoglio è stato gestito attivamente e l'indice ICE BofA U.S. High Yield è stato utilizzato esclusivamente ai fini del confronto dei rating ESG e della riduzione dell'intensità di carbonio.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Nell'ambito del processo di investimento, il Subgestore degli investimenti ha considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per gli emittenti valutandoli rispetto a determinate metriche ESG.

   Il Quoziente ESG di NB si basa sulla matrice di rilevanza proprietaria di NB, focalizzata sulle caratteristiche ESG che sono state considerate come i più probabili fattori rilevanti del rischio e delle opportunità ESG per ogni settore. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e ricavati internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del Portafoglio. La matrice di rilevanza di NB ha

[1] Le emissioni di ambito 1 sono emissioni dirette provenienti da fonti di proprietà di o controllate da un emittente (come le emissioni create direttamente dai processi aziendali o dai veicoli di proprietà dell'emittente). Le emissioni di ambito 2 sono emissioni indirette derivanti dalla generazione di elettricità, vapore, riscaldamento e raffreddamento consumati dall'emittente. Le emissioni di ambito 3 sono tutte le altre emissioni indirette generate nella catena del valore di un emittente (come le emissioni dei prodotti o dei servizi consumati dall'emittente, lo smaltimento dei rifiuti, il pendolarismo dei dipendenti, la distribuzione e il trasporto dei suoi prodotti o investimenti).

permesso al Subgestore degli investimenti di ricavare il rating del Quoziente ESG di NB, per confrontare le caratteristiche ambientali e sociali di settori ed emittenti. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e ricavati internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del Subgestore degli investimenti.

Il Quoziente ESG di NB ha assegnato una ponderazione alle caratteristiche ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB per gli emittenti. Gli emittenti con un Quoziente ESG di NB positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. Sono stati esclusi dal Portafoglio gli emittenti con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso. Il Subgestore degli investimenti ha inoltre cercato di dare priorità agli impegni costruttivi con il 90% degli emittenti.

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	57	100%
Dati di terzi	5,3	

Per quanto riguarda il rating del Quoziente NB di ESG, si usa un punteggio compreso tra 1 e 100, dove 1 rappresenta la valutazione minima e 100 quella massima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Reportistica sull'impegno:

Di seguito il Subgestore ha inserito una sintesi degli impegni intrapresi. I dati seguenti coprono il periodo dal 1° gennaio 2022 al 31 dicembre 2022.

Il Subgestore degli investimenti si è impegnato con 114 imprese detenute dal Portafoglio nel 2022.
Il 65% degli impegni del Subgestore degli investimenti è stato di natura individuale (sia a distanza che di persona).
Il 48% degli impegni del Subgestore degli investimenti ha coinvolto personale a livello di CEO / CFO.
Gli obiettivi di impegno del Subgestore degli investimenti hanno riguardato 14 dei 17 Obiettivi complessivi di sviluppo sostenibile delle Nazioni Unite ("**SDG**").
Il 16% delle imprese interessate dagli impegni nel periodo di riferimento 2022 ha conseguito interamente l'obiettivo di impegno oppure ha intrapreso azioni parziali volte a conseguire il rispettivo obiettivo di impegno.

Ulteriori informazioni sugli impegni intrapresi dal Subgestore degli investimenti sono disponibili qui https://www.nb.com/handlers/documents.ashx?item_id=454c682e-ea4b-4406-af2f-b6ef65c2ef00

3. Climate Value-at-Risk:

Nel periodo di riferimento, il Climate Value-at-Risk ("**CVaR**") ha misurato l'esposizione ai rischi climatici fisici e di transizione. Il CVaR è uno strumento di analisi di scenario che valuta i rischi economici nel quadro di scenari di gradi diversi (ossia, l'entità di riscaldamento previsto) e potenziali contesti normativi in paesi

differenti.

Il CVaR è un tipo di analisi di scenario che è definito come il valore attuale dei costi futuri aggregati dei rischi politici, dei profitti da opportunità tecnologiche, nonché dei costi e dei profitti di eventi meteorologici estremi espressi in percentuale del valore di mercato di un titolo o del portafoglio in funzione dello scenario climatico previsto.

Calcolando i rischi finanziari derivanti dai cambiamenti climatici per ciascun titolo e per ogni scenario, il CVaR fornisce un quadro che aiuta a quantificare e comprendere tali rischi. La metrica CVaR approfondisce l'analisi della stima in caso di stress climatico delle attività sulla base di scenari di gradi specifici, offrendo una valutazione di quanto un titolo potrebbe perdere o guadagnare a causa dell'impatto dei cambiamenti climatici.

Al 31 dicembre 2022 il CVaR aveva previsto la possibilità che uno scenario climatico di riscaldamento potesse causare un deprezzamento dell'12,37% delle attività in esame.

Questa analisi intende offrire una panoramica generale dello stile e del processo di investimento del team.

Su base globale, i risultati sono stati valutati dai gestori e analisti di portafoglio del Subgestore degli investimenti. L'analisi dello scenario è servita come punto di partenza per un'ulteriore analisi bottom-up e per individuare i potenziali rischi legati al clima da affrontare tramite l'impegno dell'emittente.

Considerate le limitazioni dei dati, il CVaR non è stato applicato a tutti gli emittenti in Portafoglio ma solo a coloro per i quali il Subgestore degli investimenti disponeva di dati sufficienti e affidabili. Il Portafoglio aveva una copertura CVaR del 60%.

L'analisi CVaR è rivista almeno una volta all'anno.

4. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali promosse, il Portafoglio non ha investito in titoli di emittenti le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse, la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico e la Politica di Neuberger Berman in materia di esclusione sostenibile. Oltre all'applicazione della Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico, il Subgestore degli investimenti ha vietato l'apertura di nuove posizioni di investimento in titoli di emittenti che (i) ottengono più del 25% dei loro ricavi dall'estrazione di carbone termico; o (ii) stanno espandendo la produzione di energia da carbone termico. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in titoli di emittenti le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("**Principi del Global Compact delle Nazioni Unite**"), (ii) le linee guida OCSE destinate alle imprese multinazionali ("**Linee guida dell'OCSE**"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("**Principi guida delle Nazioni Unite su imprese e diritti umani**") e (iv) gli standard internazionali del lavoro ("**Standard OIL**"). Il Portafoglio ha escluso gli emittenti coinvolti in attività e comportamenti controversi, come i produttori di pellicce, il gioco d'azzardo e l'energia nucleare.

Nell'applicare le esclusioni ESG al Portafoglio, il Subgestore degli investimenti ha usato dati di terzi per individuare gli emittenti che violano le esclusioni ESG elencate sopra. Laddove possibile, il Subgestore degli investimenti ha cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'emittente. Il Subgestore degli investimenti ha discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della sua ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'emittente.

...e rispetto ai periodi precedenti?

N.d.; questo è il primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

n.d.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Benché il Portafoglio non si sia impegnato a detenere investimenti sostenibili, dal 6 aprile 2022 il Subgestore degli investimenti non ha investito in emittenti le cui attività siano state individuate come in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Una selezione dei principali indicatori di effetti negativi è stata considerata direttamente (ad es. tramite le politiche di esclusione ESG elencate sopra) e/o indirettamente (ad es. nell'ambito della valutazione degli emittenti da parte del Subgestore degli investimenti) per tutto il periodo di riferimento 2022.

Dal 28 novembre 2022, il Subgestore degli investimenti ha considerato i seguenti principali effetti negativi, vale a dire: emissioni di gas a effetto serra, impronta di carbonio, intensità dei gas a effetto serra, esposizione ai combustibili fossili, diversità di genere nel consiglio, violazioni dei Principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE e armi controverse (i "**PAI a livello di prodotto**").

La considerazione dei PAI a livello di prodotto è stata limitata dalla disponibilità (secondo il parere soggettivo del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Subgestore degli investimenti ha utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i suddetti PAI a livello di prodotto.

Il Subgestore degli investimenti ha considerato i PAI a livello di prodotto mediante una combinazione di:

- Monitoraggio del Portafoglio, in particolare nel caso in cui sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per ogni PAI a livello di prodotto;
- Gestione e/o definizione di obiettivi di impegno nel caso in cui il Portafoglio sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per un PAI a livello di prodotto; e
- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI a livello di prodotto.

Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Subgestore degli investimenti ha usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1° gennaio 2022 – 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
AMERICAN AIRLINES INC 144A	H – Trasporto e magazzinaggio	1,9%	Stati Uniti
APX GROUP INC 144A	K – Attività finanziarie e assicurative	1,5%	Stati Uniti
IRON MOUNTAIN INC 144A	L – Attività immobiliari	1,4%	Stati Uniti
GENESIS ENERGY LP	C – Attività manifatturiere	1,4%	Stati Uniti
SUNNOVA ENERGY CORP 144A	D – Fornitura di energia elettrica, gas, vapore e aria condizionata	1,3%	Stati Uniti
PERFORMANCE FOOD GROUP INC 144A	G – Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	1,3%	Stati Uniti
GARDA WORLD SECURITY CORP 144A	N – Attività amministrative e di servizi di supporto	1,1%	Canada
BUCKEYE PARTNERS LP	H – Trasporto e magazzinaggio	1,0%	Stati Uniti
ASSUREDPARTNERS INC 144A	K – Attività finanziarie e assicurative	1,0%	Stati Uniti
ALLIANT HOLDINGS INTERMEDIATE LLC 144A	K – Attività finanziarie e assicurative	1,0%	Stati Uniti
BANIJAY ENTERTAINMENT SAS 144A	J – Servizi di informazione e comunicazione	1,0%	Francia
CSC HOLDINGS LLC	J – Servizi di informazione e comunicazione	0,9%	Stati Uniti
TRIVIUM PACKAGING FINANCE BV 144A	K – Attività finanziarie e assicurative	0,9%	Paesi Bassi

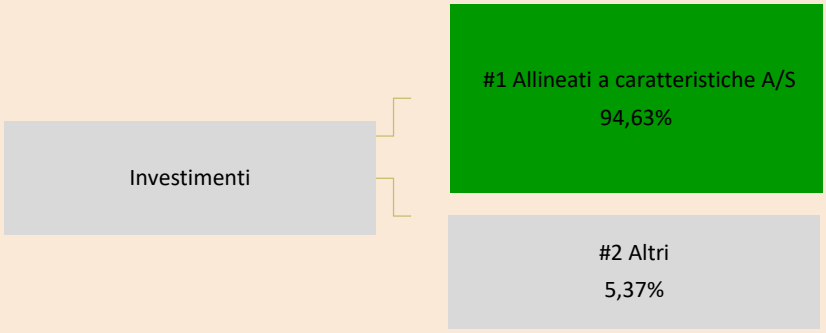
ANTERO MIDSTREAM PARTNERS LP 144A		H – Trasporto e magazzinaggio	0,9%	Stati Uniti
XHR LP	144A	L – Attività immobiliari	0,9%	Stati Uniti

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il Subgestore degli investimenti ha calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di emittenti presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un rating di terzi equivalente all'ESG e usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Subgestore degli investimenti si sia impegnato direttamente. Questo calcolo si è basato su una valutazione mark-to-market del Portafoglio e potrebbe avvalersi di dati incompleti o imprecisi dell'emittente o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022	
Settore economico – NACE	**% di attivi**
B – Attività estrattiva	5,36%
C – Attività manifatturiere	14,09%
D – Fornitura di energia elettrica, gas, vapore e aria condizionata	3,45%
E – Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	1,01%
F – Costruzioni	1,80%
G – Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	4,84%
H – Trasporto e magazzinaggio	10,98%
I – Servizi di alloggio e di ristorazione	1,39%
J – Servizi di informazione e comunicazione	13,48%
K – Attività finanziarie e assicurative	19,09%
L – Attività immobiliari	5,14%
M – Attività professionali, scientifiche e tecniche	0,60%
N – Attività amministrative e di servizi di supporto	8,47%
P – Istruzione	0,00%
Q – Sanità e assistenza sociale	2,86%
R – Attività artistiche, di intrattenimento e divertimento	2,70%
S – Altre attività di servizi	0,15%
Nessuna	4,60%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

- Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Subgestore degli investimenti non può confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento della tassonomia verranno sviluppate man mano che il quadro UE si evolverà e gli emittenti renderanno disponibili i dati. Il Subgestore degli investimenti terrà sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[2]?

☐ Sì:

☐ Gas fossile ☐ Energia nucleare

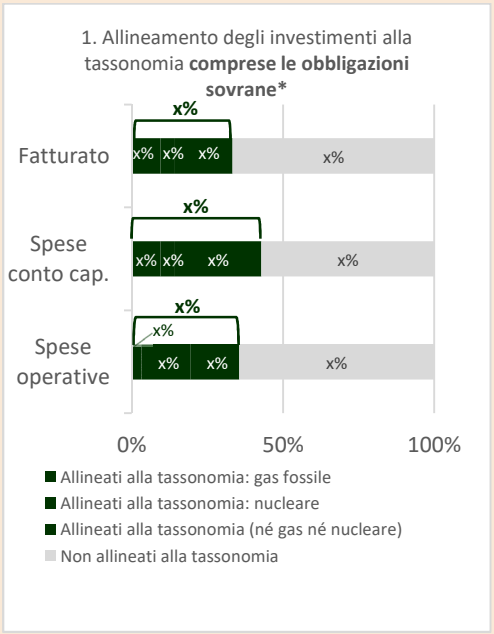
☒ No

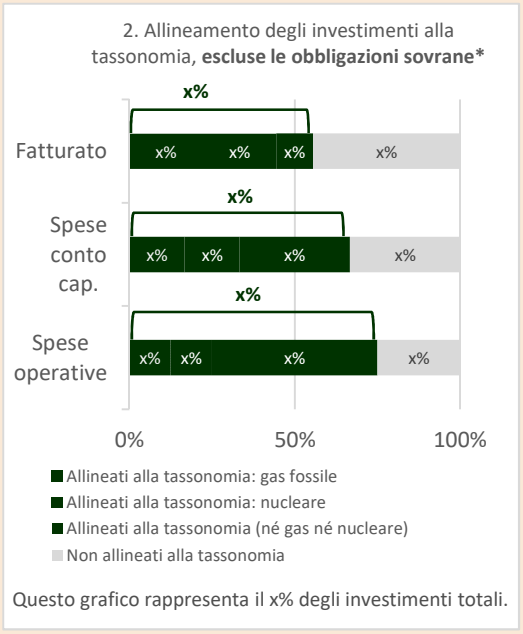
[2] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

- ***Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti socialmente sostenibili?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Subgestore degli investimenti vantaggiosi

per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Subgestore degli investimenti ha ritenuto che queste politiche impediscano l'investimento negli emittenti che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.

Le suddette misure hanno assicurato l'adozione di solide garanzie minime di salvaguardia ambientale e sociale.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per gli emittenti in Portafoglio. Il rating del Quoziente ESG di NB per gli emittenti è stato utilizzato per semplificare l'identificazione di rischi e opportunità nella valutazione complessiva del credito e del valore.

Il Quoziente ESG di NB ha rappresentato una componente chiave dei rating creditizi interni e consentito di individuare i rischi aziendali (compresi quelli ESG) in grado di causare un deterioramento del profilo di credito di un emittente. I rating creditizi interni possono essere aumentati o diminuiti in base al rating del Quoziente ESG di NB, e questo aspetto è stato monitorato dal Subgestore degli investimenti in quanto componente importante del processo di investimento del Portafoglio.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB) nei rating creditizi interni, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.

Gli emittenti con un Quoziente ESG di NB o un rating di terzi positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. Sono stati esclusi dal Portafoglio gli emittenti con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso.

II. Impegno:

Il Subgestore degli investimenti si è impegnato con gli emittenti nel quadro di un solido programma di impegno ESG. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Subgestore degli investimenti ha considerato questo impegno con gli emittenti una parte importante del suo processo di investimento.

Questo programma si è concentrato su incontri di persona e teleconferenze per comprendere i rischi e le opportunità ESG e valutare le prassi di buona governance degli emittenti societari. Nell'ambito del processo di impegno diretto, il Subgestore degli investimenti stabilisce gli obiettivi che gli emittenti sono chiamati a raggiungere. Questi obiettivi e i progressi degli emittenti rispetto agli stessi sono stati monitorati e tenuti sotto controllo dal Subgestore degli investimenti mediante uno strumento interno di tracciamento dell'impegno di NB (per ulteriori dettagli si rimanda alla precedente sezione relativa alla reportistica sull'impegno).

Il Portafoglio:

- Ha contribuito al conseguimento degli SDG impegnandosi con almeno il 90% degli emittenti societari in azioni incrementali che potessero essere intraprese nell'ambito dei loro prodotti, servizi, attività o processi, allineati a questi obiettivi (oppure dove vi fosse la possibilità di maggiore allineamento a tali obiettivi, a seguito dell'impegno con gli emittenti societari in questione).

- Ha mantenuto un rating ESG medio del Portafoglio superiore a quello del mercato high yield USA generale, rappresentato dall'indice ICE BofA U.S.

High Yield, valutato sulla base di rating ESG di terzi comunicati da un fornitore esterno riconosciuto. Questo calcolo si è basato sul rating ESG del Portafoglio in ciascuna delle quattro chiusure dei trimestri civili nel periodo di riferimento 2022.

Il Subgestore degli investimenti ha usato uno strumento interno per vagliare la probabilità di conseguire il successo dell'impegno con un emittente prima dell'investimento (l'"**Indicatore di potenziale impegno**"). L'Indicatore di potenziale impegno, su una scala di 1-5, ha fornito una valutazione sistematica della disponibilità e della capacità di un emittente di impegnarsi con il Subgestore degli investimenti sul fronte degli SDG. Ad esempio, un emittente giudicato indisponibile o incapace di impegnarsi ha ottenuto un Indicatore di potenziale impegno pari a "1", mentre un emittente disposto a impegnarsi a diventare un leader contribuendo agli SDG ha ottenuto un Indicatore di potenziale impegno pari a "5". Il Subgestore degli investimenti ha dato la priorità agli investimenti in emittenti con un rating dell'Indicatore di potenziale impegno compreso tra "2" e "5". L'Indicatore di potenziale impegno ha considerato una serie diversificata di fattori quali la rilevanza degli SDG per le attività operative di un emittente, le prassi di informativa di un emittente e il rapporto del Subgestore degli investimenti con l'emittente, oltre alle restrizioni finanziarie dell'emittente.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; il Portafoglio non utilizza alcun indice di riferimento.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?

n.d.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman US Long Short Equity Fund (il "**Portafoglio**")
Identificativo della persona giuridica: 54930034RCIO16VO2Z23

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione stabilito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) ___% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali:

- ***Caratteristiche ambientali***: qualità dell'aria, biodiversità e uso del suolo, gestione dell'energia, esposizione al rischio ambientale, risparmio di carburante, emissioni di gas a effetto serra ("**GHG**"), opportunità nelle tecnologie pulite, emissioni tossiche e rifiuti, gestione idrica, gestione del ciclo di vita degli imballaggi, approvvigionamento dei materiali e gestione del ciclo di vita dei prodotti.

- ***Caratteristiche sociali***: accesso ai finanziamenti; accesso alla sanità; relazioni con la comunità; riservatezza e sicurezza dei dati; incentivi per i dipendenti e assunzione di rischi; salute e nutrizione; salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; sicurezza e integrità dei prodotti; standard lavorativi della catena di approvvigionamento; diversità e inclusione della forza lavoro; trasparenza dei prezzi e marketing responsabile.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Qual è stata la prestazione degli indicatori di sostenibilità?

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Nell'ambito del processo di investimento, il Subgestore degli investimenti ha considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per le imprese valutandole rispetto a determinate metriche ESG.

   Questo quadro ESG è stato applicato al lato lungo del Portafoglio, che ha un orizzonte temporale pluriennale. Le posizioni corte del Subgestore degli investimenti sono espresse tramite derivati, pertanto non si è impegnato a considerare i fattori ESG. L'allocazione long/short prevista del Portafoglio è descritta nella sezione del Supplemento intitolata "*Approccio agli investimenti*".

   Il Quoziente ESG di NB si basa sulla matrice di rilevanza proprietaria di Neuberger Berman ("**NB**"), focalizzata sulle caratteristiche ESG che sono state considerate come i più probabili fattori rilevanti del rischio e delle opportunità ESG per ogni settore. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e tratti internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del pertinente Subgestore degli investimenti. La matrice di rilevanza di NB ha permesso al Subgestore degli investimenti di ricavare il rating del Quoziente ESG di NB, per confrontare le caratteristiche ambientali e sociali di settori e imprese.

   Il Quoziente ESG di NB ha assegnato una ponderazione ai fattori ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB. Le imprese con un Quoziente ESG di NB o un rating di terzi positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel lato lungo del Portafoglio. La probabilità di rimozione dall'universo di investimento lungo o dal Portafoglio lungo è stata maggiore per un'impresa con un basso Quoziente ESG di NB o rating di terzi, soprattutto se non affrontato dall'impresa stessa. Il Subgestore degli investimenti ha inoltre cercato di dare priorità agli impegni costruttivi con le imprese che avevano un basso Quoziente ESG di NB o rating di terzi, al fine di valutare se i timori venivano affrontati in modo adeguato.

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	ES: B G: 2,2	98%
Dati di terzi	6,5	

   Per valutare il Quoziente ESG di NB, nel caso dei rating ambientali e sociali (ES) si usano i quartili da A a D, dove A è la valutazione massima (quartile superiore) e D quella minima (quartile inferiore). Per valutare la governance (G) si usano i quartili da 1 a 4, dove 1 è la valutazione massima e 4 quella minima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Climate Value-at-Risk:

Nel periodo di riferimento, il Climate Value-at-Risk ("**CVaR**") ha misurato l'esposizione ai rischi climatici fisici e di transizione. Il CVaR è uno strumento di analisi di scenario che valuta i rischi economici nel quadro di scenari di gradi diversi (ossia, l'entità di riscaldamento previsto) e potenziali contesti normativi in paesi differenti.

Il CVaR è un tipo di analisi di scenario che è definito come il valore attuale dei costi futuri aggregati dei rischi politici, dei profitti da opportunità tecnologiche, nonché dei costi e dei profitti di eventi meteorologici estremi espressi in percentuale del valore di mercato di un titolo o del portafoglio in funzione dello scenario climatico previsto.

Calcolando i rischi finanziari derivanti dai cambiamenti climatici per ciascun titolo e per ogni scenario, il CVaR fornisce un quadro che aiuta a quantificare e comprendere tali rischi. La metrica CVaR approfondisce l'analisi della stima in caso di stress climatico delle attività sulla base di scenari di gradi specifici, offrendo una valutazione di quanto un titolo potrebbe perdere o guadagnare a causa dell'impatto dei cambiamenti climatici.

Al 31 dicembre 2022 il CVaR aveva previsto la possibilità che uno scenario climatico di riscaldamento potesse causare un deprezzamento dell'16,60% delle attività in esame.

Questa analisi intende offrire una panoramica generale dello stile e del processo di investimento del team.

Su base globale, i risultati sono stati valutati dai gestori e analisti di portafoglio del Subgestore degli investimenti. L'analisi dello scenario è servita come punto di partenza per un'ulteriore analisi bottom-up e per individuare i potenziali rischi legati al clima da affrontare tramite l'impegno delle imprese.

Considerate le limitazioni dei dati, il CVaR non è stato applicato a tutte le imprese in Portafoglio ma solo alle imprese per le quali il Subgestore degli investimenti disponeva di dati sufficienti e affidabili. Il Portafoglio aveva una copertura CVaR del 59%.

L'analisi CVaR è rivista almeno una volta all'anno.

3. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali promosse, il Portafoglio non ha investito in imprese le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse e la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico. Oltre all'applicazione della Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico, il Subgestore degli investimenti ha vietato l'apertura di nuove posizioni di investimento in imprese che (i) abbiano ottenuto più del 25% dei ricavi dall'estrazione di carbone termico; o (ii) abbiano ampliato la produzione di energia da carbone termico. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in imprese le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("**Principi del Global Compact delle Nazioni Unite**"), (ii) le linee guida OCSE destinate alle imprese multinazionali ("**Linee guida dell'OCSE**"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("**Principi guida delle Nazioni Unite su imprese e diritti umani**") e (iv) gli standard internazionali del lavoro ("**Standard OIL**").

Solo le posizioni lunghe sono state coperte dalle politiche di esclusione ESG di NB sopra elencate.

Nell'applicare le esclusioni ESG al Portafoglio, il Subgestore degli investimenti ha usato dati di terzi per individuare le imprese che violano le esclusioni ESG sopra elencate. Laddove possibile, il Subgestore degli investimenti ha cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'impresa. Il Subgestore degli

investimenti ha discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della sua ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'impresa.

...e rispetto ai periodi precedenti?

N.d.; questo è il primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.

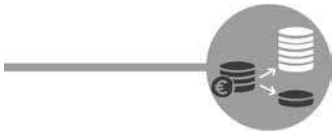
Benché il Portafoglio non si sia impegnato a detenere investimenti sostenibili, dal 6 aprile 2022 il Subgestore degli investimenti non ha investito in imprese le cui attività siano state individuate in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

N.d.; questo Portafoglio non si è impegnato a esaminare i principali effetti negativi.



Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Subgestore degli investimenti ha usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1º gennaio 2022 - 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
MICROSOFT CORP	J - Servizi di informazione e comunicazione	3,5%	Stati Uniti
APPLE INC	C - Attività manifatturiere	3,0%	Stati Uniti
NEXTERA ENERGY INC	D - Fornitura di energia elettrica, gas, vapore e aria condizionata	2,3%	Stati Uniti
AMAZON COM INC	G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	2,2%	Stati Uniti
UNION PACIFIC CORP	H - Trasporto e magazzinaggio	2,1%	Stati Uniti
S&P GLOBAL INC	J - Servizi di informazione e comunicazione	2,0%	Stati Uniti
TJX INC	G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	2,0%	Stati Uniti
UNITEDHEALTH GROUP INC	K - Attività finanziarie e assicurative	2,0%	Stati Uniti
ADOBE INC	J - Servizi di informazione e comunicazione	2,0%	Stati Uniti
ALPHABET INC CLASS A	J - Servizi di informazione e comunicazione	1,9%	Stati Uniti
SALESFORCE INC	J - Servizi di informazione e comunicazione	1,9%	Stati Uniti
MCDONALDS CORP	I - Servizi di alloggio e di ristorazione	1,7%	Stati Uniti
CME GROUP INC CLASS A	K - Attività finanziarie e assicurative	1,6%	Stati Uniti
META PLATFORMS INC CLASS A	J - Servizi di informazione e comunicazione	1,6%	Stati Uniti
KEURIG DR PEPPER INC	C - Attività manifatturiere	1,3%	Stati Uniti



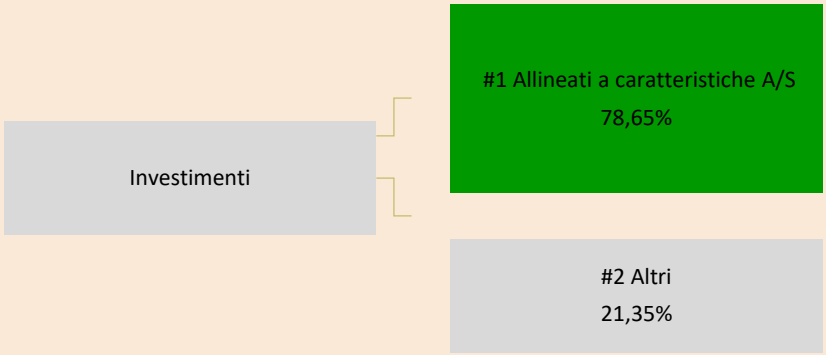
Qual è stata la quota degli investimenti in materia di sostenibilità?

Qual è stata l'allocazione degli attivi?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Il Subgestore degli investimenti ha calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di imprese presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un

rating ESG equivalente di terzi usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Subgestore degli investimenti si sia impegnato direttamente. Questo calcolo era basato su una valutazione mark-to-market del Portafoglio e può avvalersi di dati incompleti o imprecisi dell'impresa o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022	
Settore economico – NACE	**% di attivi**
C - Attività manifatturiere	26,57%
D - Fornitura di energia elettrica, gas, vapore e aria condizionata	5,61%
E - Fornitura di acqua; reti fognarie, attività di trattamento dei rifiuti e risanamento	1,43%
G - Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli	11,68%
H - Trasporto e magazzinaggio	3,93%
I - Servizi di alloggio e di ristorazione	3,10%
J - Servizi di informazione e comunicazione	27,14%
K - Attività finanziarie e assicurative	13,64%
L - Attività immobiliari	2,03%
N - Attività amministrative e di servizi di supporto	2,05%
Q - Sanità e assistenza sociale	1,05%
R - Attività artistiche, di intrattenimento e divertimento	0,00%
S - Altre attività di servizi	0,19%
Nessuna	1,58%

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Subgestore degli investimenti non può confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento alla tassonomia verranno sviluppate man mano che il quadro UE si evolverà e le imprese renderanno disponibili i dati. Il Subgestore degli investimenti terrà sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività transitorie** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

- **Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?**

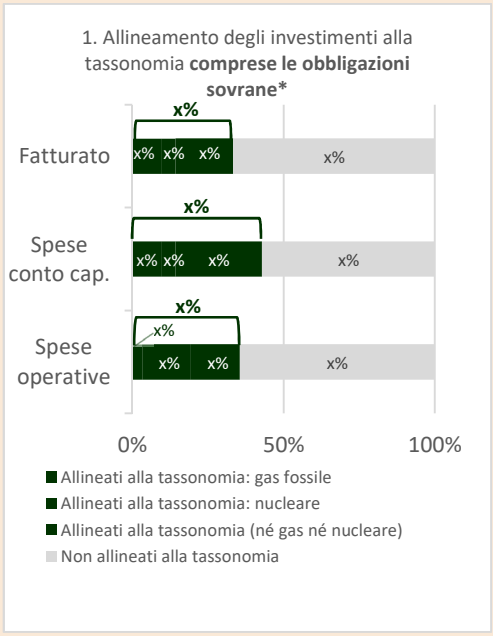
  - ☐ Sì:
    - ☐ Gas fossile
    - ☐ Energia nucleare
  - ☒ No

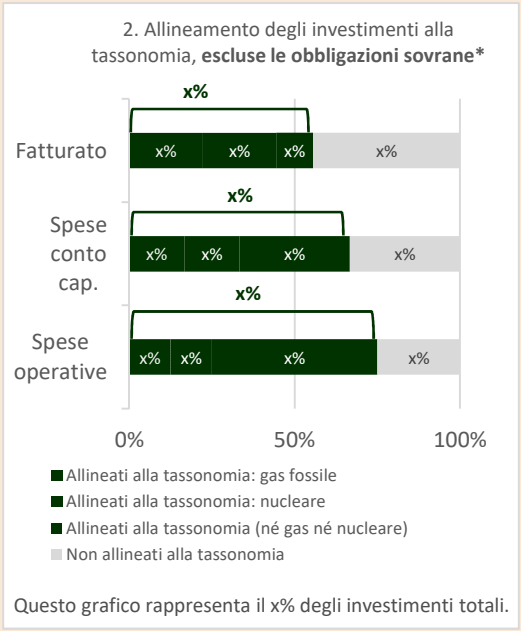
[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

- ***Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

  N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti socialmente sostenibili?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili

elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Subgestore degli investimenti vantaggiosi per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Subgestore degli investimenti ritiene che queste politiche abbiano impedito l'investimento in imprese che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per le posizioni delle imprese in Portafoglio. Il Quoziente ESG di NB o il rating di terzi per le imprese è stato utilizzato per semplificare l'individuazione di rischi e opportunità nella valutazione complessiva.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB e il rating di terzi) nella considerazione complessiva dell'impresa, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.

Le imprese con un Quoziente ESG di NB o un rating di terzi positivo o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio lungo. La probabilità di rimozione dall'universo di investimento lungo o dal Portafoglio lungo è stata maggiore per un'impresa con un basso Quoziente ESG di NB o rating di terzi, soprattutto se non affrontato dall'impresa stessa.

II. Impegno:

Il Subgestore degli investimenti si è impegnato nei confronti delle imprese. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Subgestore degli investimenti ha considerato questo impegno con le imprese come una parte importante del suo processo di investimento sul lato lungo. I progressi in materia di impegno sono stati monitorati a livello centrale nello strumento di tracciamento dell'impegno del Subgestore degli investimenti.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il lato lungo del Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.

Come già menzionato, solo le posizioni lunghe sono state coperte dalle politiche di esclusione ESG di NB sopra elencate.



Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; l'indice di riferimento del Portafoglio non è stato designato come indice di riferimento. Pertanto, non è coerente con le caratteristiche ambientali o sociali promosse dal Portafoglio.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Neuberger Berman US Real Estate Securities Fund (il "**Portafoglio**")

Identificativo della persona giuridica: 549300T9PUOV1AK0OR82

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, a condizione che tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua pratiche di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal Regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ___%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) ___% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Il Portafoglio ha promosso le seguenti caratteristiche ambientali e sociali:

- ***Caratteristiche ambientali***: qualità dell'aria, biodiversità e uso del suolo, gestione dell'energia, esposizione al rischio ambientale, risparmio di carburante, emissioni di gas a effetto serra ("**GHG**"), opportunità nelle tecnologie pulite, emissioni tossiche e rifiuti, gestione idrica, gestione del ciclo di vita degli imballaggi, approvvigionamento dei materiali e gestione del ciclo di vita dei prodotti.

- ***Caratteristiche sociali***: accesso ai finanziamenti; accesso alla sanità; relazioni con la comunità; riservatezza e sicurezza dei dati; incentivi per i dipendenti e assunzione di rischi; salute e nutrizione; salute e sicurezza; sviluppo del capitale umano; gestione del lavoro; sicurezza e integrità dei prodotti; standard lavorativi della catena di approvvigionamento; diversità e inclusione della forza lavoro; trasparenza dei prezzi e marketing responsabile.

La prestazione relativa a queste caratteristiche ambientali e sociali è stata misurata mediante il Quoziente ESG di NB ed è di seguito riportata in forma aggregata.

Gli **indicatori di sostenibilità** misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

Qual è stata la prestazione degli indicatori di sostenibilità?

Nell'ambito del processo di investimento, il Subgestore degli investimenti ha considerato diversi indicatori di sostenibilità per misurare le caratteristiche ambientali e/o sociali promosse dal Portafoglio. Gli indicatori di sostenibilità sono elencati di seguito:

1. Quoziente ESG di NB:

   Il sistema proprietario di rating ESG di Neuberger Berman (il "**Quoziente ESG di NB**") è costruito intorno al concetto di rischio e opportunità ESG specifici del settore e produce un rating ESG complessivo per gli emittenti valutandoli rispetto a determinate metriche ESG.

   Il Quoziente ESG di NB si basa sulla matrice di rilevanza proprietaria di Neuberger Berman ("**NB**"), focalizzata sulle caratteristiche ESG che sono state considerate come i più probabili fattori rilevanti del rischio e delle opportunità ESG per ogni settore. Ogni criterio settoriale è stato costruito usando dati ESG di terzi e ricavati internamente e integrati da un'analisi qualitativa interna, avvalendosi della significativa esperienza settoriale del team di analisti del pertinente Subgestore degli investimenti. La matrice di rilevanza di NB ha permesso al Subgestore degli investimenti di ricavare il rating del Quoziente ESG di NB, per confrontare le caratteristiche ambientali e sociali di settori ed emittenti.

   Il Quoziente ESG di NB ha assegnato una ponderazione alle caratteristiche ambientali, sociali e di governance di ogni settore per ricavare il rating del Quoziente ESG di NB per gli emittenti. Gli emittenti con un Quoziente ESG di NB positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. La probabilità di rimozione dall'universo di investimento o dal Portafoglio è stata maggiore per un'impresa con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'impresa stessa. Il Subgestore degli investimenti ha inoltre cercato di dare priorità agli impegni costruttivi con gli emittenti che avevano un basso rating del Quoziente ESG di NB, al fine di valutare se i timori venivano affrontati in modo adeguato.

31 dicembre 2022	**Rating**	**Copertura combinata**
Quoziente ESG di NB	ES: B G: 1	100%
Dati di terzi	6,2	

Per valutare il Quoziente ESG di NB, nel caso dei rating ambientali e sociali (ES) si usano i quartili da A a D, dove A è la valutazione massima (quartile superiore) e D quella minima (quartile inferiore). Per valutare la governance (G) si usano i quartili da 1 a 4, dove 1 è la valutazione massima e 4 quella minima. Questo Portafoglio non ha un rating minimo del Quoziente ESG di NB. Il rating medio del Quoziente ESG di NB è una media ponderata e non rappresenta un rating della strategia del Portafoglio in sé.

Per misurare le caratteristiche ambientali e sociali promosse dal Portafoglio sono stati usati anche dati di terzi. I rating dei dati di terzi vanno da 0 a 10, dove 0 è la valutazione minima e 10 quella massima.

2. Climate Value-at-Risk:

Nel periodo di riferimento, il Climate Value-at-Risk ("**CVaR**") ha misurato l'esposizione ai rischi climatici fisici e di transizione. Il CVaR è uno strumento di analisi di scenario che valuta i rischi economici nel quadro di scenari di gradi diversi (ossia, l'entità di riscaldamento previsto) e potenziali contesti normativi in paesi differenti.

Il CVaR è un tipo di analisi di scenario che è definito come il valore attuale dei costi futuri aggregati dei rischi politici, dei profitti da opportunità tecnologiche, nonché dei costi e dei profitti di eventi meteorologici estremi espressi in percentuale del valore di mercato di un titolo o del portafoglio in funzione dello scenario climatico previsto.

Calcolando i rischi finanziari derivanti dai cambiamenti climatici per ciascun titolo e per ogni scenario, il CVaR fornisce un quadro che aiuta a quantificare e comprendere tali rischi. La metrica CVaR approfondisce l'analisi della stima in caso di stress climatico delle attività sulla base di scenari di gradi specifici, offrendo una valutazione di quanto un titolo potrebbe perdere o guadagnare a causa dell'impatto dei cambiamenti climatici.

Al 31 dicembre 2022 il CVaR aveva previsto la possibilità che uno scenario climatico di riscaldamento potesse causare un deprezzamento dell'9,79% delle attività in esame.

Questa analisi intende offrire una panoramica generale dello stile e del processo di investimento del team.

Su base globale, i risultati sono stati valutati dai gestori e analisti di portafoglio del Subgestore degli investimenti. L'analisi dello scenario è servita come punto di partenza per un'ulteriore analisi bottom-up e per individuare i potenziali rischi legati al clima da affrontare tramite l'impegno dell'emittente.

Considerate le limitazioni dei dati, il CVaR non è stato applicato a tutti gli emittenti in Portafoglio ma solo a coloro per i quali il Subgestore degli investimenti disponeva di dati sufficienti e affidabili. Il Portafoglio aveva una copertura CVaR del 93%.

L'analisi CVaR è rivista almeno una volta all'anno.

3. Politiche di esclusione ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali o sociali promosse, il Portafoglio non ha investito in emittenti le cui attività violassero o non fossero coerenti con la Politica di Neuberger Berman in materia di armi controverse e la Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico. Oltre all'applicazione della Politica di Neuberger Berman in materia di coinvolgimento nel carbone termico, il Subgestore degli investimenti ha vietato l'apertura di nuove posizioni di investimento in emittenti che (i) abbiano ottenuto più del 25% dei ricavi dall'estrazione di carbone termico; o (ii) abbiano ampliato la produzione di energia da carbone termico. Inoltre, dal 6 aprile 2022 gli strumenti in Portafoglio non hanno investito in emittenti le cui attività siano state identificate come in violazione della Politica di Neuberger Berman in materia di standard globali, che esclude i soggetti identificati come trasgressori di quanto segue: (i) i principi del Global Compact delle Nazioni Unite ("**Principi del Global Compact delle Nazioni Unite**"), (ii) le linee guida OCSE destinate alle imprese multinazionali ("**Linee guida**

dell'OCSE"), (iii) i principi guida delle Nazioni Unite su imprese e diritti umani ("**Principi guida delle Nazioni Unite su imprese e diritti umani**") e (iv) gli standard internazionali del lavoro ("**Standard OIL**"). Dal 28 novembre 2022, il Subgestore degli investimenti ha vietato gli acquisti di emittenti che possiedono, gestiscono o forniscono principalmente servizi integrali a carceri private, considerate le controversie sociali significative, i rischi di reputazione, e la dipendenza dalle politiche del Ministero di Giustizia competente e da strutture non facilmente riconfigurabili per usi alternativi.

Nell'applicare le esclusioni ESG al Portafoglio, il Subgestore degli investimenti ha usato dati di terzi per individuare gli emittenti che violano le esclusioni ESG elencate sopra. Laddove possibile, il Subgestore degli investimenti ha cercato di sovrapporre questi dati di terzi con le competenze qualitative dei propri analisti di ricerca per ottenere un quadro attuale e olistico dell'emittente. Il Subgestore degli investimenti ha discusso e dibattuto le differenze tra i trasgressori individuati dai dati di terzi e quelli identificati a seguito della sua ricerca, che si è basata sui dati del Quoziente ESG di NB e sugli impegni diretti con l'emittente.

...e rispetto ai periodi precedenti?

N.d.; questo è il primo periodo di riferimento.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo ad alcun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

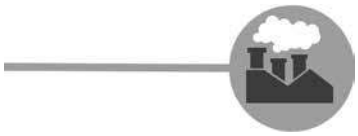
Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Benché il Portafoglio non si sia impegnato a detenere investimenti sostenibili, dal 6 aprile 2022 il Subgestore degli investimenti non ha investito in emittenti le cui attività siano state individuate in violazione delle Linee guida dell'OCSE, dei Principi del Global Compact delle Nazioni Unite, degli Standard OIL e dei Principi guida delle Nazioni Unite su imprese e diritti umani, recepiti dalla Politica di Neuberger Berman in materia di standard globali.

La Tassonomia dell'UE stabilisce il principio «non arrecare un danno significativo», in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio «non arrecare un danno significativo» si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Una selezione dei principali indicatori di effetti negativi è stata considerata direttamente (ad es. tramite le politiche di esclusione ESG elencate sopra) e/o indirettamente (ad es. nell'ambito della valutazione degli emittenti da parte del Subgestore degli investimenti) per tutto il periodo di riferimento 2022.

Dal 28 novembre 2022, il Subgestore degli investimenti ha considerato i seguenti principali effetti negativi, vale a dire: emissioni di gas a effetto serra, impronta di carbonio, intensità dei gas a effetto serra, esposizione ai combustibili fossili, diversità di genere nel consiglio, violazioni dei Principi del Global Compact delle Nazioni Unite e delle Linee guida dell'OCSE e armi controverse (i "**PAI a livello di prodotto**").

La considerazione dei PAI a livello di prodotto è stata limitata dalla disponibilità (secondo il parere soggettivo del Subgestore degli investimenti) di una copertura adeguata, affidabile e verificabile dei dati. Il Subgestore degli investimenti ha utilizzato dati di terzi e dati surrogati insieme alla ricerca interna per considerare i PAI a livello di prodotto.

Il Subgestore degli investimenti ha considerato i PAI a livello di prodotto mediante una combinazione di:

- Monitoraggio del Portafoglio, in particolare nel caso in cui sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per ogni PAI a livello di prodotto;
- Gestione e/o definizione di obiettivi di impegno nel caso in cui il Portafoglio sia sceso sotto le soglie di tolleranza quantitative e qualitative stabilite dal Subgestore degli investimenti per un PAI a livello di prodotto; e
- Applicazione delle politiche di esclusione ESG sopra menzionate, che ha compreso la considerazione di vari PAI a livello di prodotto.

Quali sono stati i principali investimenti di questo prodotto finanziario?

Il Subgestore degli investimenti ha usato la ripartizione per settori economici basata sulla classificazione statistica delle attività economiche dell'UE ("**NACE**") per identificare i settori economici dei 15 principali investimenti del Portafoglio. I dati seguenti sono aggiornati al 31 dicembre 2022.

L'elenco comprende gli investimenti che hanno costituito **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 1° gennaio 2022 - 31 dicembre 2022

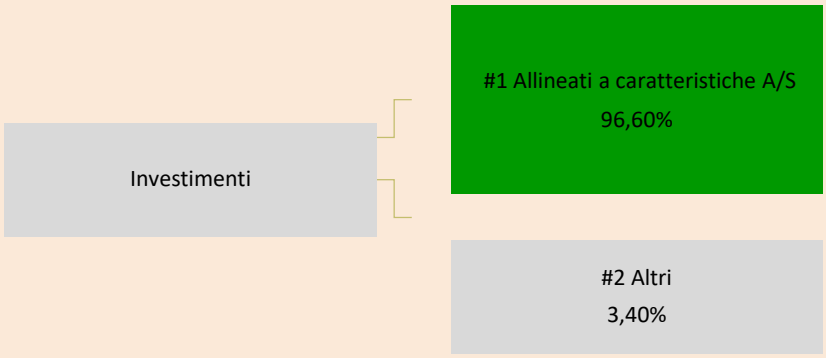
Investimenti di maggiore entità	Settore	% di attivi	Paese
AMERICAN TOWER REIT CORP	L - Attività immobiliari	8,8%	Stati Uniti
PROLOGIS REIT INC	L - Attività immobiliari	8,0%	Stati Uniti
PUBLIC STORAGE REIT	L - Attività immobiliari	6,3%	Stati Uniti
CROWN CASTLE INC	N - Attività amministrative e di servizi di supporto	6,1%	Stati Uniti
REALTY INCOME REIT CORP	L - Attività immobiliari	4,2%	Stati Uniti
WELLTOWER	L - Attività immobiliari	4,1%	Stati Uniti
DIGITAL REALTY TRUST REIT INC	L - Attività immobiliari	3,5%	Stati Uniti
EQUINIX REIT INC	J - Servizi di informazione e comunicazione	3,3%	Stati Uniti
KIMCO REALTY REIT CORP	L - Attività immobiliari	3,0%	Stati Uniti
SIMON PROPERTY GROUP REIT INC	L - Attività immobiliari	3,0%	Stati Uniti
IRON MOUNTAIN INC	L - Attività immobiliari	3,0%	Stati Uniti
ESSEX PROPERTY TRUST REIT INC	L - Attività immobiliari	3,0%	Stati Uniti
SUN COMMUNITIES REIT INC	L - Attività immobiliari	2,8%	Stati Uniti
EQUITY RESIDENTIAL REIT	L - Attività immobiliari	2,8%	Stati Uniti
SBA COMMUNICATIONS REIT CORP CLASS	L - Attività immobiliari	2,8%	Stati Uniti

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?

Il Subgestore degli investimenti ha calcolato la percentuale di investimenti allineati alle caratteristiche ambientali e/o sociali promosse dal Portafoglio in riferimento alla percentuale di emittenti presenti nel Portafoglio: i) che abbiano ottenuto un rating del Quoziente ESG di NB o un rating di terzi equivalente all'ESG e usato nell'ambito del processo di costruzione del portafoglio e di gestione degli investimenti del Portafoglio; e/o ii) con cui il Subgestore degli investimenti si sia impegnato direttamente. Questo calcolo si è basato su una valutazione mark-to-market del Portafoglio e potrebbe avvalersi di dati incompleti o imprecisi dell'emittente o di terzi. Per il solo periodo di riferimento 2022, il calcolo si è basato sulle posizioni in Portafoglio al 31 dicembre 2022, essendo l'unica chiusura trimestrale del periodo di riferimento successiva alla pubblicazione dell'Allegato SFDR del Portafoglio che illustra la sua allocazione degli attivi pianificata. Per tutti i periodi di riferimento successivi, questo calcolo si baserà sulla media delle quattro chiusure trimestrali.



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Dati al 31 dicembre 2022	
Settore economico – NACE	**% di attivi**
C - Attività manifatturiere	2,03%
J - Servizi di informazione e comunicazione	3,37%
K - Attività finanziarie e assicurative	1,61%
L - Attività immobiliari	86,67%
N - Attività amministrative e di servizi di supporto	6,31%

Per conformarsi alla tassonomia dell'UE, i criteri per il **gas fossile** comprendono limitazioni delle emissioni e il passaggio all'energia da fonti totalmente rinnovabili o ai combustibili a basse emissioni di carbonio entro la fine del 2035. Per l'**energia nucleare**, i criteri comprendono norme complete in materia di sicurezza e gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

- Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Gli obblighi di informativa e di analisi introdotti dalla tassonomia dell'UE sono molto dettagliati e la loro osservanza richiede la disponibilità di numerosi dati specifici per ogni investimento effettuato dal Portafoglio. Il Subgestore degli investimenti non può confermare che il Portafoglio abbia effettuato collocamenti in investimenti considerati ecosostenibili ai fini della tassonomia dell'UE. Le informative e la reportistica sull'allineamento della tassonomia verranno sviluppate man mano che il quadro UE si evolverà e gli emittenti renderanno disponibili i dati. Il Subgestore degli investimenti terrà sotto controllo la misura in cui gli investimenti sostenibili con un obiettivo ambientale sono allineati alla tassonomia dell'UE, con il miglioramento della disponibilità e della qualità dei dati.

Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE[1]?

☐ Sì:

☐ Gas fossile ☐ Energia nucleare

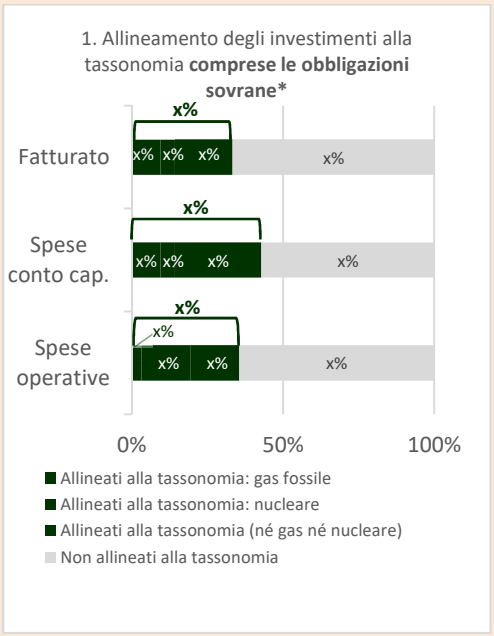
☒ No

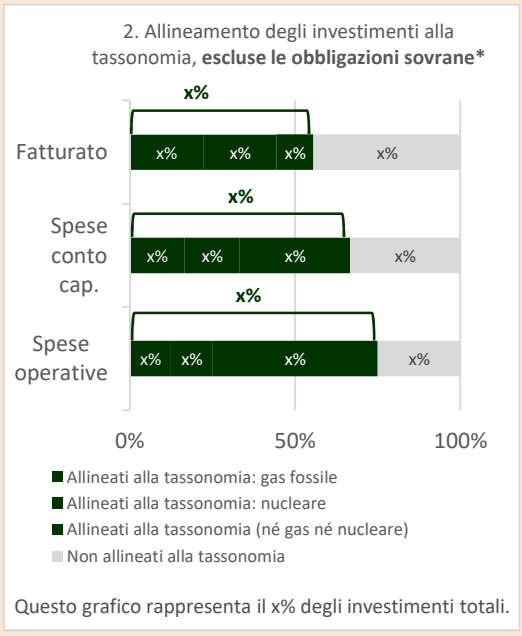
[1] Le attività connesse al gas fossile e/o all'energia nucleare sono conformi alla tassonomia dell'UE solo se contribuiscono all'azione di contenimento dei cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecano un danno significativo ad alcuno degli obiettivi della tassonomia dell'UE - cfr. nota esplicativa sul margine sinistro. I criteri completi riguardanti le attività economiche connesse al gas fossile e all'energia nucleare che sono conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: quota di entrate da attività verdi delle imprese beneficiarie degli investimenti.
- **spese in conto capitale** (CapEx): investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, ad esempio per la transizione verso un'economia verde.
- **spese operative** (OpEx): attività operative verdi delle imprese beneficiarie degli investimenti.

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





Questo grafico rappresenta il x% degli investimenti totali.

**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?

N.d.; il Portafoglio non si è impegnato a detenere investimenti allineati alla tassonomia.

Qual era la quota minima di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti socialmente sostenibili?

N.d.; il Portafoglio non si è impegnato a detenere investimenti sostenibili.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Altri" comprendeva i restanti investimenti del Portafoglio (inclusi, a titolo esemplificativo ma non esaustivo, i derivati o i titoli garantiti da un pool di attività o crediti simili elencati nel Supplemento al Portafoglio) che non erano allineati alle caratteristiche ambientali o sociali, né considerati investimenti sostenibili.

La sezione "Altri" del Portafoglio è stata detenuta per diversi motivi ritenuti dal Subgestore degli investimenti vantaggiosi per il Portafoglio quali, a titolo esemplificativo ma non esaustivo, la gestione del rischio, e/o per assicurare liquidità, copertura e garanzia adeguate.

Come indicato in precedenza, il Portafoglio è stato investito in conformità con le politiche di esclusione ESG, su base continuativa. In questo modo si è garantito che gli investimenti effettuati dal Portafoglio fossero in linea con le garanzie internazionali minime di salvaguardia ambientale o sociale, come i Principi del Global Compact delle Nazioni Unite, i Principi guida delle Nazioni Unite su imprese e diritti umani, le Linee guida dell'OCSE e gli Standard OIL.

Il Subgestore degli investimenti ritiene che queste politiche abbiano impedito l'investimento negli emittenti che hanno violato in modo più eclatante gli standard minimi ambientali e/o sociali e abbiano garantito al Portafoglio di promuovere con successo le sue caratteristiche ambientali e sociali.

Le suddette misure hanno assicurato l'adozione di solide garanzie minime di salvaguardia ambientale e sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Portafoglio è stato gestito in linea con l'obiettivo di investimento e sono state intraprese le seguenti azioni:

I. Integrazione dell'analisi ESG proprietaria:

I rating del Quoziente ESG di NB sono stati generati per le posizioni degli emittenti in Portafoglio. Il rating del Quoziente ESG di NB per gli emittenti è stato utilizzato per semplificare l'individuazione di rischi e opportunità nella valutazione complessiva.

Integrando l'analisi ESG proprietaria del team di investimento (il Quoziente ESG di NB) nella considerazione complessiva dell'emittente, si è creato un collegamento diretto tra l'analisi delle caratteristiche ESG sostanziali e le attività di costruzione del portafoglio nella strategia di investimento.

Gli emittenti con un Quoziente ESG di NB o un rating di terzi positivo e/o in via di miglioramento hanno avuto maggiori possibilità di essere incluse nel Portafoglio. La probabilità di rimozione dall'universo di investimento o dal Portafoglio è stata maggiore per un emittente con un basso rating del Quoziente ESG di NB, soprattutto se non affrontato dall'emittente stesso.

II. Impegno:

Il Subgestore degli investimenti si è impegnato con gli emittenti nel quadro di un solido programma di impegno ESG. Hanno cercato di dare priorità agli impegni costruttivi e di impegnarsi su tematiche (comprese quelle ESG) a loro giudizio finanziariamente rilevanti per l'emittente pertinente. Il Subgestore degli investimenti ha considerato questo impegno con gli emittenti una parte importante del suo processo di investimento. I progressi in materia di impegno sono stati monitorati a livello centrale nello strumento di tracciamento dell'impegno del Subgestore degli investimenti.

III. Politiche di esclusione settoriale ESG:

Per assicurare il raggiungimento delle caratteristiche ambientali e sociali promosse, il Portafoglio ha applicato le politiche di esclusione ESG sopra menzionate, che hanno posto limitazioni all'universo investibile.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

N.d.; l'indice di riferimento del Portafoglio non è stato designato come indice di riferimento. Pertanto, non è coerente con le caratteristiche ambientali e sociali promosse dal Portafoglio.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  n.d.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  n.d.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: European Equity Fund

Legal entity identifier: 213800WYXNEU5CDV6M15

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☐ It **promoted Environmental/Social (E/S) characteristics**: and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments
☐ in economic activities thatqualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made **sustainable investments with a social objective**:__%	☐ with a social objective
	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental orsocial objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down alist of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promotes environmental and social characteristics (i.e. maintaining a lower blended environmental intensity than its benchmark) by making investments in companies that meet the standards of the Investment Manager's proprietary sustainability assessments and by excluding investments in certain sectors or business areas.

Given the Investment Manager's focus on these characteristics, the Sub-Fund's blended environmental intensity is lower than the broader market, which is expressed as the Sub-Fund's benchmark. As such, the environmental characteristics promoted by this Sub-Fund have been met.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

	GHG (tonnes/€m)	Waste (tonnes/€m)	Water (m3/€m)
MSCI Europe weighted-average	239.8	4.6	381.9
Portfolio weighted-average	230.0	4.5	311.5
Relative difference	-4%	-3%	-18%
% of Sub-Fund lower than benchmark weighted-average	72.2%	80.3%	80.3%

As at year-end 2022 (31 December 2022), the Sub-Fund had a blended environmental instensity that was 8.6% lower than the broader market.

The blended environmental intensity is a proprietary metric representing an equally-weighted combination of greenhouse gas (GHG) emissions intensity*, landfill waste intensity, and water purchased intensity. The relative blended environmental intensity is an average of the percentage (%) differences in each the three weighted-average environmental intensities (GHG, waste and water) calculated for the Sub-Fund and its benchmark, where the weights represent the size of each holding.

For GHG, waste and water intensities, the percentage of the Sub-Fund invested in companies with an intensity lower than the benchmark's weighted-average was 72.2%, 80.3% and 80.3% respectively.

*The Investment Manager has used Carbon Direct + First Tier indirect intensity which comprises of Scope 1 & 2 greenhouse gas intensity, plus a company's first-tier upstream supply chain.

- ***…and compared to previous periods? [include for financial products where at least oneprevious periodic report was provided]***

N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

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

N/A

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

As part of the in-depth fundamental analysis on an individual company, the following principal adverse impact indicators are currently considered for the Sub-Fund's investments:

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

PAI Indicator	Metric	Year	Value	Commentary
GHG intensity	Scope 1 & 2 GHG intensity of investee companies	2022	110.2	Engie was the largest contributor to the Sub-Fund's GHG intensity. Considering the sector, this was deemed not to be a material negative impact and in line with expectations. Engie is a company positioned to benefit from Europe's push to become more energy sufficient through decarbonised sources. It has committed to a SBTi aligned plan to reduce emissions by 2030, while also announcing plans to achieve net zero carbon emissions by 2045. The plan includes rapidly phasing out coal power in Europe by 2025, and globally by 2027, while investing considerably in renewable energy sources, which will account for around 40-45% of growth capital expenditure going forward and should, along with networks, be the key driver of Engie's future earnings growth. SBTi report significant progress at Engie which has achieved ~65% of planned 2030 emission reductions already (vs. 2017 base year).

* All Carbon Metrics will include Scope 3 Carbon Emissions from 1 January 2023.

In addition, the Sub-Fund has not invested in companies in relation to the following principal adverse impacts:

– Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

– Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons).



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the reference period which is: 2022

Largest investments	Sector	% Assets	Country
Novo Nordisk A/s	Health Care	3.6	Denmark
Bp Plc	Energy	3.5	United Kingdom
HSBC Holdings Plc	Financials	3.2	United Kingdom
Qiagen Nv	Health Care	3.1	Netherlands
Roche Holding Ag	Health Care	3.0	Switzerland
Merck Kgaa	Health Care	2.8	Germany
Universal Music Group Nv	Communication Services	2.7	Netherlands
Eni Spa	Energy	2.7	Italy
LVMH Moet Hennessy Louis Vuitton	Consumer Discretionary	2.6	France
Deutsche Telekom Ag	Communication Services	2.4	Germany
Sanofi	Health Care	2.4	France
UBS Group Ag	Financials	2.2	Switzerland
Bank Of Ireland Group Plc	Financials	2.2	Ireland
Reckitt Benckiser Group Plc	Consumer Staples	2.1	United Kingdom
Siemens Ag	Industrials	2.0	Germany

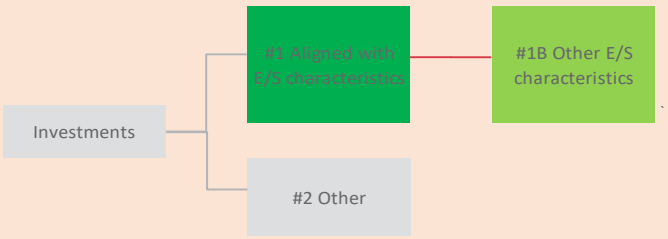


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

Overall Asset Allocation	% of Total Sub-Fund Value
#1 Investments aligned with the Sub-Fund's promoted environmental or social characteristics	77.6%
#2 Other, i.e. investments neither aligned with environmental or social characteristics, nor qualified as sustainable investments within the meaning of Article 2(17) SFDR	22.4%
#1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments within the meaning of Article 2(17) SFDR	77.6%



#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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***In which economic sectors were the investments made?***

Communication services, consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, utilities.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

☐ in fossil gas ☐ in nuclear energy

☒ No

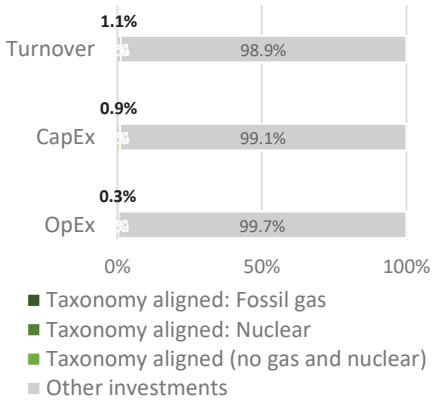
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

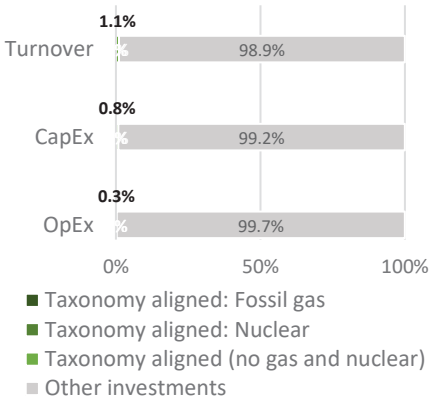
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Taxonomy-aligned investments contributed to environmental objectives set out in Regulation (EU) 2020/852 as follows:

EU Taxonomy-alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Climate change mitigation	2%
Climate change adaptation	0%

What was the share of investments made in transitional and enabling activities?

EU Taxonomy alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Transitional activities	0%
Enabling activities	0.2%

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

The aforementioned investments have not been subject to an assurance by an auditor or a third party.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any sustainable investments within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation.

What was the share of socially sustainable investments?

N/A

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

'#2 Other' includes investments that support the financial objective and other management activities of the Sub-Fund such as:

– equities that are considered not aligned with E/S characteristics;

and

– cash held for liquidity purposes as an ancillary asset, deposits, and money market instruments

No minimum environmental or social safeguards are applied. Such investments will not usually represent a material proportion of the Sub-Fund's.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

All new investments have been selected in line with the Investment Manager's sustainability framework. Existing investments are monitored against the same framework.

The Investment Manager implements active stewardship and its right as a shareholder to preserve and grow its clients' assets, including engagement with the companies in which it invests. The extent of engagement activities will vary depending on the materiality of any adverse impacts, ability to exert influence, and the nature and severity of the potential issue.

In addition, where significant adverse impacts are identified or there is potential non-compliance with good governance requirements, the Investment Manager will identify the materiality of these and the potential need for engagement to address these issues. Further information on the Investment Manager's approach to engagement is available on its website:

https://ninetyone.com/-/media/documents/sustainability/91-sustainability-and-stewardship-report-2022-en.pdf

https://ninetyone.com/-/media/documents/stewardship/91-esg-ownership-policy-and-proxy-guidelines-en.pdf

During the reporting period (12 months to end of December 2022), the European Equity team was involved with seven company-specific engagements. These engagements covered a range of issues covering sustainability reporting, governance, remuneration, diversity and inclusion, health and safety and carbon emissions.

The Investment Manager has voted all proxies.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How does the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental orsocial objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down alist of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Global Franchise Fund

Legal entity identifier: 213800ENHEQTIA6IRV12

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☐ It **promoted Environmental/Social (E/S) characteristics**: and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments
☐ in economic activities thatqualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made **sustainable investments with a social objective**:__%	☐ with a social objective
	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promotes better carbon outcomes (i.e. maintaining a carbon profile lower than the Sub-Fund's benchmark) by making investments in companies that meet the standards of the Investment Manager's proprietary sustainability assessments and by excluding investments in certain sectors or business areas (deemed incompatible with a net zero future).

Given the Investment Manager's consistent focus on high-quality, capital-light sustainable businesses, with zero exposure to heavily capital intensive, high-emission sectors such as energy, utilities and resources, the Sub-Fund's carbon profile remains far superior relative to the broader market. As such, the environmental characteristics promoted by this product have been met.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***How did the sustainability indicators perform?***

Sustainability indicator	Metric	Year	Fund	Benchmark	Fund carbon profile vs benchmark
Carbon profile	Tons of CO2e / US$m invested	2022	80.7	442.1	-85%
		2021	53.3	284.7	-84%

The Sub-Fund has maintained a carbon profile that is 85 % lower than the broader market. The biggest contributors to the increase in absolute emissions at the Sub-Fund level (in line with the benchmark) were Samsung Electronics, Nestle and Microsoft.

The 5 largest contributors to the Sub-Fund's carbon profile were, in order of magnitude (position izes are shown in brackets):

- Samsung Electronics (1.7%)
- St. James's Place (1.7%)
- Nestle (4.4%)
- Beiersdorf (3.8%)
- Booking Holdings (4.8%)

- ***…and compared to previous periods? [include for financial products where at least oneprevious periodic report was provided]***

N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

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

N/A

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

As part of the in-depth fundamental analysis of an individual company, the following principal adverse impacts have been considered as part of the Sub-Fund's investments:

PAI indicator	Metric	Year	Value	Commentary
GHG emissions	Scope 1 & 2 GHG Emissions Contribution (EVIC) tCO2e	2022	23,024.1	Samsung Electronics was the largest contributor to the Sub-Fund's GHG emissions and carbon footprint. Considering the sector, this was deemed not to be a material negative impact and in line with expectations.
Carbon footprint	Scope 1 & 2 Carbon Footprint Contribution tCO2e/m € invested	2022	3.2	
GHG intensity	Scope 1 & 2 GHG intensity of investee companies tCO2e/m € revenue	2022	13.0	Nestle was the largest contributor to the Sub-Fund's GHG intensity, primarily due to the size of the company and its position size in the Sub-Fund. This was deemed not to be a material negative impact, as Nestle has made significant climate-related commitments, including reducing GHG emissions by 50% by 2030.

* All Carbon Metrics will include Scope 3 Carbon Emissions from 1 January 2023.

In addition, the Sub-Fund has not invested in companies in relation to the following principle adverse impacts:

- Exposure to companies active in the fossil fuel sector.
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons).

Where material adverse impacts are identified, the Investment Manager will engage directly with company management or sovereign stakeholders and/or exercise proxy voting rights in an effort to catalyse change.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial productduring the referenceperiod which is: 2022

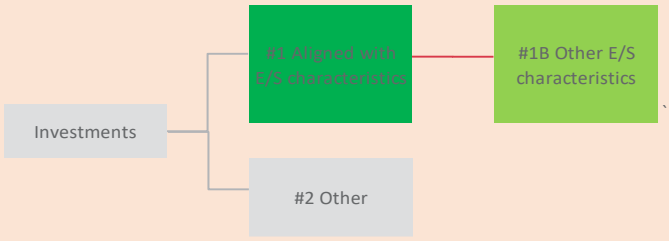
Largest investments	Sector	% Assets	Country
Visa Inc	Information Technology	8.6	United States
Microsoft Corp	Information Technology	5.9	United States
ASML Holding Nv	Information Technology	5.8	Netherlands
Moody's Corp	Financials	5.6	United States
Philip Morris International In	Consumer Staples	4.7	United States
Booking Holdings Inc	Consumer Discretionary	4.5	United States
Intuit Inc	Information Technology	4.5	United States
Nestle Sa	Consumer Staples	4.5	Switzerland
Verisign Inc	Information Technology	4.4	United States
Johnson & Johnson	Health Care	4.0	United States
Roche Holding Ag	Health Care	3.9	Switzerland
Estee Lauder Cos Inc/the	Consumer Staples	3.8	United States
Becton Dickinson And Co	Health Care	3.6	United States

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

Overall Asset Allocation	% of Total Sub-Fund Value
#1 Investments aligned with the Sub-Fund's promoted environmental or social characteristics	97.6%
#2 Other, i.e. investments neither aligned with environmental or social characteristics, nor qualified as sustainable investments within the meaning of Article 2(17) SFDR	2.4%
#1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments within the meaning of Article 2(17) SFDR	97.6%



#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.

- ***In which economic sectors were the investments made?***

Communication services, consumer discretionary, consumer staples, financials, health care, information technology.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

☐ in fossil gas ☐ in nuclear energy

☒ No

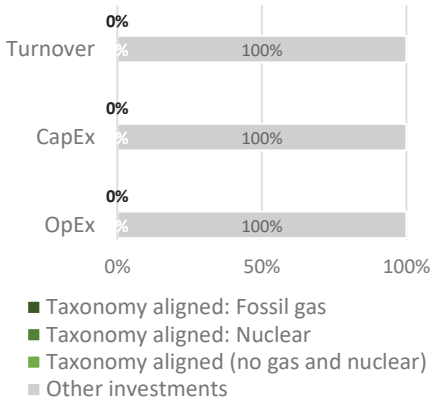
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

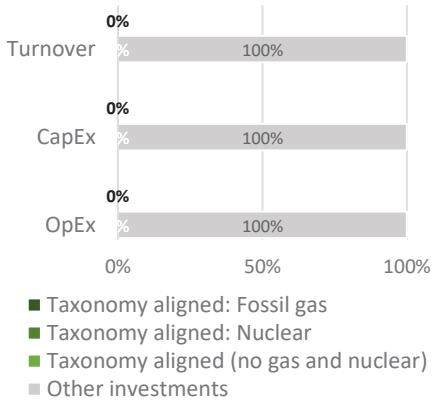
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Taxonomy-aligned investments contributed to environmental objectives set out in Regulation (EU) 2020/852 as follows:

EU Taxonomy-alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Climate change mitigation	0%
Climate change adaptation	0%

What was the share of investments made in transitional and enabling activities?

EU Taxonomy-alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Transitional activities	0%
Enabling activities	0%

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any sustainable investments within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of sustainable investments with an environmental objective that was not aligned with the EU Taxonomy is 0%.

What was the share of socially sustainable investments?

N/A

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

'#2 Other' includes investments that support the financial objective and other management activities of the Sub-Fund, such as:

- equities that are considered not aligned with E/S characteristics;

  and

- cash held for liquidity purposes as an ancillary asset, deposits and money market instruments.

No minimum environmental or social safeguards are applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

All new investments have been selected in line with the Investment Manager's sustainability framework. Existing investments are monitored against the same framework.

The Investment Manager implements active stewardship and its right as a shareholder to preserve and grow its clients' assets, including engagement with the companies in which it invests. The extent of engagement activities will vary depending on the materiality of any adverse impacts, ability to exert influence, and the nature and severity of the potential issue.

In addition, where significant adverse impacts are identified or there is potential non-compliance with good governance requirements the Investment Manager will identify the materiality of these and the potential need for engagement to address these issues. Further information on the Investment Manager's approach to engagement is available on its website.

https://ninetyone.com/-/media/documents/sustainability/91-sustainability-and-stewardship-report-2022-en.pdf

https://ninetyone.com/-/media/documents/stewardship/91-esg-ownership-policy-and-proxy-guidelines-en.pdf

Over the last 12 months, the Investment Manager has made good progress further developing its proprietary tools and methodologies to enhance the integration of carbon analysis into its research process and valuation analysis. The Investment Manager has developed and completed a proprietary Climate Strategy Assessment for all existing holdings, as well as new ideas, which evaluates companies across fifteen criteria, including: net zero commitments, short- and long-term quantitative targets for reducing emissions and whether these are SBTi certified, CDP

disclosure, executive remuneration linked to climate change performance, and the appointment of a board member or committee with responsibility for the company's climate change strategy.

The output of this analysis helps the Investment Manager prioritise engagement with those companies identified as having little or no carbon emissions disclosure, and/or do not yet have credible net zero targets and transition pathways in place that are aligned with the Paris Agreement. During the period, the Investment Manager proactively engaged with the lowest scoring companies, according to its proprietary Climate Strategy Assessment. Whilst acknowledging that many of these holdings do not have inherently carbon intensive business models, formal letters were sent to six Sub-Fund companies urging them to take the lead on decarbonisation and take more affirmative steps on climate change. The Investment Manager also continued its engagement with other companies where this had already been initiated.

Examples of positive steps subsequent to engagement include:

Company	Sector	Outcome
Samsung Electronics	Information Technology	Announced a new environmental strategy, which included a commitment to achieve net zero emissions by 2050.
FactSet	Financials	Announced commitment to set a near-term, company-wide emission reduction target in line with the SBTi, as well as pledging to achieve net zero emissions by 2040.
EA	Communication Services	Committed to publishing Scope 1 & 2 emissions by year-end and disclosing targets in due course, which will likely be aligned with the SBTi.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How does the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Global Multi-Asset Income Fund

Legal entity identifier: 213800ATCFTXLMWF1N08

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☐ It **promoted Environmental/Social (E/S) characteristics**: and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made **sustainable investments with a social objective**:__%	☐ with a social objective
	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental orsocial objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down alist of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promotes environmental and/or social characteristics by investing in companies and countries considered by the Investment Manager as having policies, operations and/or business models that aim to manage their harmful effects on society and the environment, or whose products and/or services benefit society and the environment. Additionally, the Investment Manager excludes investments in certain business groups and activities.

The Investment Manager uses a proprietary sustainability framework to analyse the material harmful and/or beneficial effects that a company or country has on society or the environment.

In accordance with the proprietary sustainability framework, the Investment Manager has appraised that over 51% of the assets held in the Sub-Fund are deemed to promote environmental and social

characteristics. As such, the environmental and/or social characteristics promoted by this product have been met.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Company investments

Indicator	Metric	Year*	Value	Commentary
Scope 1, 2 & 3 carbon footprint	in tonnes of CO2e per US$m invested	2022	169.5	These values are based on the aggregate weightings of the companies within the overall Sub-Fund. The biggest individual company contributors include a mining company (Rio Tinto), which has a carbon intensive business, and a car manufacturer (Volkswagen) which has the majority of its carbon emissions categorised as Scope 3. Rio Tinto's activities are important in enabling the energy transition. Volkswagen is focusing its future growth on electric vehicles. Both have carbon emission reduction plans in place, with VW's being Science-Based Target Initiative ("SBTi") approved.
Scope 1, 2 & 3 – weighted average carbon intensity	in tonnes per CO2e per US$m or revenue	2022	281.9	
Proportion of companies in the Sub-Fund which disclose carbon emissions figures	%	2022	Scope 1 & 2 = 63.5% All Scope 3 categories = 8.4%	Over time the Investment Manager has seen improvement in the Sub-Fund's public companies' reporting of carbon data and will continue to engage with companies to improve Scope 1 & 2, and all Scope 3 categories' disclosure. These values are skewed downwards due to the presence of several corporate bonds issued by private companies, which in general are not as advanced in reporting this data.
Percentage of direct equity holdings with credible net zero plans in place**	%	2022	38.5%	There has been growth in the adoption of SBTi approved net zero plans. The Investment Manager will continue to engage with companies to set credible net zero plans
Percentage of companies invested in the	% of equity	2022	0.0%	There is no exposure to companies invested in the business groups or activities

business groups or activities prohibited under the Sub-Fund's exclusions criteria				prohibited under the Sub-Fund's exclusions criteria

*The above carbon disclosure is based on data from companies as at the end of financial year 2020 where available. This data has been applied to Sub-Fund position weightings as at the end of financial year 2022. While carbon reporting is improving significantly, it is still subject to a significant time lag. Where company reported emissions data is not available, estimates from MSCI have been used. Carbon data can be subject to significant variation depending on the data provider used.

**For the purposes of this reporting, the Investment Manager has defined "companies with credible net zero plans" as those companies with plans approved by the Science-Based Target Initiative ("SBTi"). This is therefore a conservative assessment as the Sub-Fund additionaly includes companies with net zero plans that are not yet SBTi approved.

Country investments

Country carbon emissions (Emissions intensity per GDP basis) – the following table shows the top 10 country exposures by Sub-Fund weighting:

Country	**Emissions intensity per GDP basis (tCO2e/million $ GDP)***
United States	270.1
Australia	437.2
Canada	445.5
Mexico	528.5
New Zealand	340.1
South Africa	1449.2
Brazil	774.9
Indonesia	1751.2
Colombia	837.3
Peru	835.0

*Given the complexities of calculating the emissions data for countries, there is a significant time lag. This data relates to 2019.

…and compared to previous periods? [include for financial products where at least oneprevious periodic report was provided]

N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

  How were the indicators for adverse impacts on sustainability factors taken into account?

  N/A

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

  N/A

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment process implemented by the Investment Manager allows it to identify and prioritise the potential adverse sustainability impacts of investment decisions (particularly as part of the fundamental analysis stage) and to demonstrate that each investment decision made by the Investment Manager does not significantly harm other environmental or social objectives.

PAI Indicator	Metric	Year*	Value	Commentary
GHG Emissions	Scope 1 & 2 GHG Emissions Contribution (EVIC) tCO2e	2022	26,255.0	These values are based on the aggregate weightings of the companies within the overall Sub-Fund. A mining company

Carbon Footprint	Scope 1 & 2 Carbon Footprint Contribution (EVIC) tCO2e/m € invested	2022	15.2	(Rio Tinto) and an energy infrastructure company (Kinder Morgan) are responsible for a reasonable proportion of these measures given the carbon intensive nature of their businesses. Their activities are important in enabling the energy transition.and therefore exposure to these companies is deemed not to result in material negative impacts.
GHG intensity	Scope 1 & 2 GHG intensity of investee companies tCO2e/m € revenue	2022	46.4	

*The above carbon disclosure is based on data from companies as at the end of financial year 2020 where available. This data has been applied to Sub-Fund position weightings as at the end of financial year 2022. While carbon reporting is improving significantly, it is still subject to a significant time lag. Where company reported emissions data is not available, estimates from MSCI have been used. Carbon data can be subject to significant variation depending on the data provider used.

These carbon metrics will include Scope 3 Carbon Emissions from 1 January 2023.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference

period which is: 2022

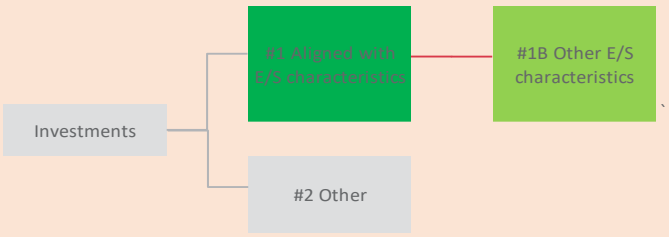
Largest investments	**Sector**	**% Assets**	**Country**
United States Treasury Note/bo 2.75 Nov 15 42	Developed Market Sovereign	4.5	United States
United States Treasury Note/bo 0.625 Oct 15 24	Developed Market Sovereign	2.9	United States
New Zealand Local Government F 3.5 Apr 14 33	Developed Market Sovereign	1.7	New Zealand
Republic Of South Africa 8 Jan 31 30	Emerging Market Local Currency Debt	1.5	South Africa
Republic Of South Africa 10.5 Dec 21 26	Emerging Market Local Currency Debt	1.5	South Africa
Mexican Bonos 8 Sep 05 24	Emerging Market Local Currency Debt	1.4	Mexico
Mexican Bonos 10 Dec 05 24	Emerging Market Local Currency Debt	1.4	Mexico
Brazil Notas Do Tesouro Nacion 10 Jan 01 25	Emerging Market Local Currency Debt	1.4	Brazil
United States Treasury Note/bo 2 Aug 15 51	Developed Market Sovereign	1.3	United States
Indonesia Treasury Bond 5.5 Apr 15 26	Emerging Market Local Currency Debt	1.2	Indonesia
New Zealand Local Government F 2.25 May 15 31	Developed Market Sovereign	1.2	New Zealand
Mexican Bonos 8 Dec 07 23	Emerging Market Local Currency Debt	1.1	Mexico
New Zealand Local Government F 2 Apr 15 37	Developed Market Sovereign	1.0	New Zealand
Colombian Tes 7.5 Aug 26 26	Emerging Market Local Currency Debt	1.0	Colombia
Brazil Notas Do Tesouro Nacion 10 Jan 01 27	Emerging Market Local Currency Debt	1.0	Brazil

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

Overall Asset Allocation	% of Total Sub-Fund Value
#1 Investments aligned with the Sub-Fund's promoted environmental or social characteristics	91.7%
#2 Other, i.e. investments neither aligned with environmental or social characteristics, nor qualified as sustainable investments within the meaning of Article 2(17) SFDR	8.3%
#1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments within the meaning of Article 2(17) SFDR	91.7%



#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 theenvironmental or social characteristics, nor are qualified as sustainable investments.

In which economic sectors were the investments made?

Equity, Developed Market Sovereign, Emerging Market Hard Currency Debt, Emerging Market Local Currency Debt, Investment Trust, Collective Investment Scheme, High Yield Corporate, Investment Grade Corporate.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

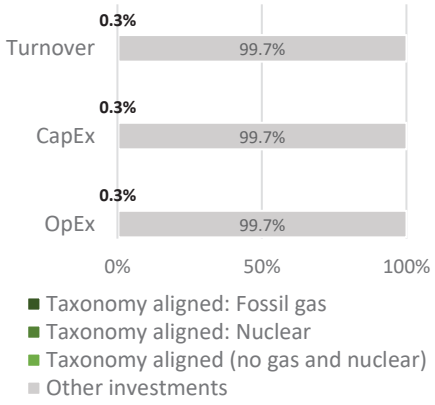
☐ Yes:

☐ in fossil gas ☐ in nuclear energy

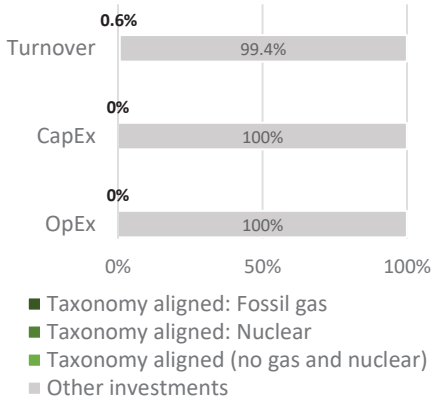
☒ No

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 44.60% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Sovereign exposure accounts for 55.4% of the total Sub-Fund value.

The EU Taxonomy regulation does not currently provide an appropriate methodology to calculate to what extent exposures to central governments, central banks and supranational issuers ('sovereign exposures') are exposed to environmentally sustainable economic activities.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned investments contributed to environmental objectives set out in Regulation (EU) 2020/852 as follows:

EU Taxonomy-alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Climate change mitigation	0.3%
Climate change adaptation	0%

What was the share of investments made in transitional and enabling activities?

EU Taxonomy-alignment, weighted by Taxonomy-aligned revenue	% of Total Sub-Fund Value
Transitional activities	0%
Enabling activities	0.3%

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

The Taxonomy-alignment figure is determined using vendor data which only includes alignment based on reported data, therefore this may represent a more conservative figure.

The aforementioned investments have not been subject to an assurance by an auditor or a third party.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any sustainable investments within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation.

What was the share of socially sustainable investments?

N/A

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

'#2 Other' includes (1) investments previously '#1 aligned with E/S characteristics' which are under the Investment Manager's review due to an unforeseen event (e.g. a controversy); and (2) investments that support the financial objective and other management activities of the Sub-Fund, such as:

– Cash held for liquidity purposes as an ancillary asset or overnight deposits; and

– derivatives used for hedging, efficient portfolio management and/or investment purposes

No minimum environmental or social safeguards are applied to investments held for liquidity purposes (e.g. cash or deposits).

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

All new investments have been selected in line with the Investment Manager's sustainability framework. Existing investments are monitored against the same framework.

The Investment Manager implements active stewardship and its right as a shareholder to preserve and grow its clients' assets, including engagement with the companies in which it invests. The extent of engagement activities will vary depending on the materiality of any adverse impacts, ability to exert influence, and the nature and severity of the potential issue.

In addition, where significant adverse impacts are identified or there is potential non-compliance with good governance requirements the Investment Manager will identify the materiality of these and the potential need for engagement to address these issues. Further information on the Investment Manager's approach to engagement is available on its website:

https://ninetyone.com/-/media/documents/sustainability/91-sustainability-and-stewardship-report-2022-en.pdf

https://ninetyone.com/-/media/documents/stewardship/91-esg-ownership-policy-and-proxy-guidelines-en.pdf

Over the period, the Investment Manager has engaged with companies on a broad range of topics including climate change, corporate culture and board effectiveness. One such engagement was with Samsung Electronics, a global producer of consumer and industry electronics, who the Investment Manager encouraged to adopt net zero targets and to ensure these were science-based and include tangible milestones. The Investment Manager also had a meeting with the chairman of Rio Tinto, a global leader in metals and mining, to raise concerns about board effectiveness and experience. The Investment Manager expressed a desire to see higher calibre individuals elected to the board, namely those with operational mining experience. Finally, the Investment Manager engaged with Partners Group, a Swiss private equity company, to discuss its efforts to build a diverse and inclusive work environment. The Investment Manager shared its bespoke framework for corporate culture assessment and insights it had accumulated related to driving higher levels of inclusion and diversity.

The Investment Manager has voted all proxies.

How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***How does the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did this financial product perform compared with the broad market index?***

  N/A

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Per **investimento sostenibile** si intende un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

Nome del prodotto: NN (L) Global Bond Opportunities

Identificativo della persona giuridica: T2ZOQHM6GGM8I13ON397

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì** ☒ **No**

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** __%

- ☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
- ☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** __%

☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) __% di investimenti sostenibili

- ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
- ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
- ☐ con un obiettivo sociale

☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla tassonomia.



Gli **indicatori di sostenibilità** misurano il rispetto delle caratteristiche ambientali o sociali promosse dal prodotto finanziario.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nel periodo di riferimento, le norme tecniche di regolamentazione (RTS) dell'SFDR non erano ancora applicabili e il modello di informativa precontrattuale incluso nelle RTS dell'SFDR (Allegato II) non era ancora disponibile per questo Comparto. Nel periodo di riferimento, il prospetto informativo non conteneva alcun impegno esplicito a effettuare Investimenti sostenibili come definiti nell'SFDR. Gli indicatori di sostenibilità scelti riflettono le caratteristiche ambientali e sociali promosse dal Comparto, ma non sono stati inclusi nel prospetto informativo applicabile nel periodo di riferimento.

Nel periodo di riferimento, il Comparto ha promosso caratteristiche ambientali e sociali adottando una politica di esclusione e tenendo in considerazione i fattori ESG di ciascun Paese nel processo decisionale di investimento al fine di identificare i rischi o le opportunità ESG di ogni Paese. Più precisamente:

1. Paesi esclusi

Nel periodo di riferimento, non sono stati effettuati investimenti in paesi soggetti a misure di embargo sulle armi imposte dal Consiglio di sicurezza delle Nazioni Unite. Analogamente, non vengono effettuati investimenti nei paesi inclusi nell'elenco della Financial Action Task Force perché soggetti a un "Invito all'azione". Nel periodo di riferimento, i paesi esclusi in base a tali motivazioni sono stati: Repubblica Centrafricana, Cuba, Corea del Nord, Iran, Libia, Somalia, Sud Sudan, Sudan e Siria. La prestazione di questa caratteristica è stata misurata con l'indicatore "Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un "Invito all'azione"".

2. Integrazione ESG
Nella selezione delle obbligazioni dei vari Paesi sono stati utilizzati un punteggio ESG calcolato internamente e un punteggio CCPI (Climate Change Performance Index). Questi punteggi fanno parte della Rates View Score Card, che viene riesaminata mensilmente. Il punteggio ESG e il punteggio CCPI, sommati insieme, determinano un punteggio di sostenibilità. Oltre a questo punteggio, la Rates View Score Card contiene un punteggio per la politica monetaria e un punteggio per altri fattori. Questi punteggi determinano un punteggio totale che riflette l'attrattività di un determinato Paese a livello di investimenti. Le decisioni d'investimento (posizione sovrappesata o sottopesata in un Paese rispetto all'indice di riferimento) sono state in linea con questa visione nel periodo di riferimento.

Il punteggio CCPI e il punteggio ESG contribuiscono rispettivamente nella misura del 25% e del 75% alla determinazione del punteggio di sostenibilità. Per il punteggio ESG dei Paesi vengono utilizzati due punteggi sottostanti: Il punteggio di sviluppo ESG e il punteggio di stabilità ESG. Il punteggio di sviluppo ESG è costituito da 3 pilastri: E (ambientale), S (sociale) e G (di governance). Al pilastro della governance viene attribuita una ponderazione del 50%, mentre ai pilastri ambientali e sociali è attribuita una ponderazione del 25% ciascuno. La maggiore ponderazione dei dati di governance riflette le conclusioni della letteratura accademica secondo cui una governance efficace è una condizione essenziale per il conseguimento di buoni risultati in termini ambientali e sociali e non viceversa. Nell'ambito dei pilastri E, S e G, tutti i dati non elaborati vengono ponderati in modo uguale. Esempi di questi punteggi sono la qualità e l'offerta di istruzione e assistenza sanitaria, la stabilità politica e le fonti energetiche da cui dipende un Paese. Nel periodo di riferimento il punteggio di stabilità è stato determinato sulla base delle tematiche seguenti:
•Violenza e terrorismo
•Frazionalizzazione (livello di frazionalizzazione etnica e linguistica di un Paese, tenendo anche conto della capacità del governo di bilanciare equamente gli interessi dei diversi gruppi o della sua propensione ad alimentare e sfruttare tali differenze).
•Tensioni socio-economiche
•Disordini politici
•Catastrofi naturali

Il punteggio CCPI viene calcolato da una società di ricerca indipendente che misura le prestazioni dei Paesi in termini di mitigazione dei cambiamenti climatici e adattamento ai medesimi.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore	Portafoglio	Indice di riferimento
Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un "Invito all'azione"	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile

...e rispetto ai periodi precedenti?

	2022		2021	
Indicatore	**Portafoglio**	**Indice di riferimento**	**Portafoglio**	**Indice di riferimento**
Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un "Invito all'azione"	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile		

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

Gli investimenti sostenibili erano allineati alle linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio “non arrecare un danno significativo” si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell’Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell’Unione per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Durante il periodo di riferimento, gli indicatori dei principali effetti negativi (PAI) non erano ancora in vigore. Tuttavia, durante il periodo di riferimento, nell’ambito del processo d’investimento del Comparto si è tenuto conto di elementi relativi ai PAI. Ciò è avvenuto tramite i criteri di restrizione per gli investimenti responsabili e la proprietà attiva, nonché tramite le politiche della Società di gestione. In questo processo, si è tenuto conto del PAI seguente:
- PAI 16: Paesi beneficiari degli investimenti coinvolti in violazioni di carattere sociale (tramite criteri di restrizione)



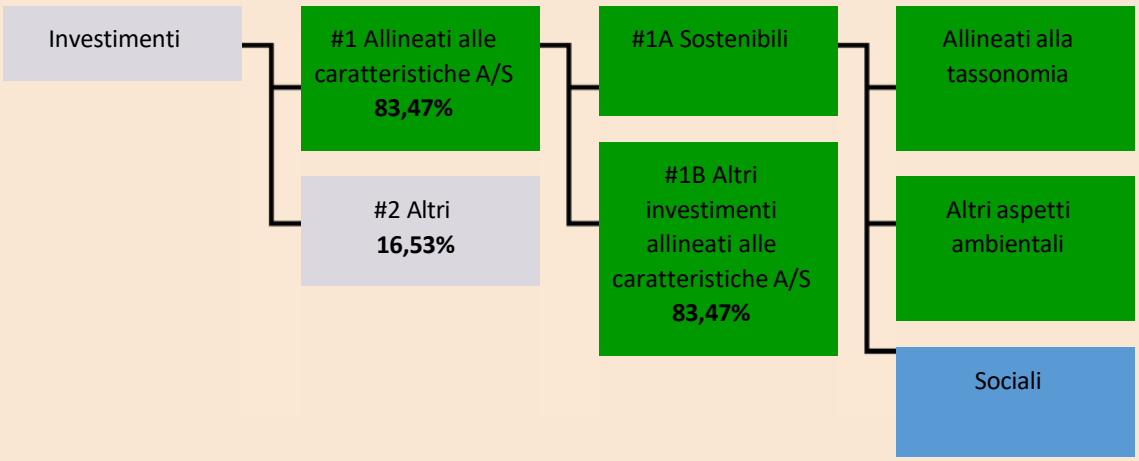
Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno rappresentato **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 30/09/2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
US TREASURY N/B 1,625% 2022-11-15	Treasury	10,32	Stati Uniti
CHINA DEVELOPMENT BANK 3,090% 2030-06-18	Agenzie	6,63	Cina
BUNDESREPUB. DEUTSCHLAND RegS 0,000% 2026-08-15	Treasury	6,58	Germania
FRANCIA (GOVT OF) 2,000% 2048-05-25	Treasury	6,18	Francia
BUNDESREPUB. DEUTSCHLAND RegS 0,000% 2031-02-15	Treasury	5,88	Germania
US TREASURY N/B 0,250% 2025-09-30	Treasury	5,63	Stati Uniti
JAPAN (20 YEAR ISSUE) 0,600% 2036-12-20	Treasury	3,89	Giappone
JAPAN (10 YEAR ISSUE) 0,600% 2023-12-20	Treasury	2,87	Giappone
FRANCIA (GOVT OF) 0,500% 2072-05-25	Treasury	2,45	Francia
JAPAN (10 YR ISSUE) 0,100% 2026-03-20	Treasury	2,23	Giappone
ITALY (REPUBLIC OF) 4,500% 2026-03-01	Treasury	1,9	Italia
JAPAN (30 YEAR ISSUE) 1,400% 2045-12-20	Treasury	1,89	Giappone
BONOS Y OBLIG DEL ESTADO 1,600% 2025-04-30	Treasury	1,69	Spagna
AUSTRIA (REPUBLIC OF) MTN 1,750% 2023-10-20	Treasury	1,68	Austria
UK CONV GILT RegS 3,250% 2044-01-22	Treasury	1,52	Regno Unito

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata la quota degli investimenti in materia di sostenibilità?



#1 Allineati alle caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati alle caratteristiche A/S** comprende:
- La sottocategoria **#1B Altri investimenti allineati alle caratteristiche A/S** contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	% di attivi
Treasury	47,59
Liquidità	23,01
Contanti sintetici	11,63
Agenzie	6,63
Industriale	5,89
Finanziari	5,06
Servizi di pubblica utilità	0,20

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

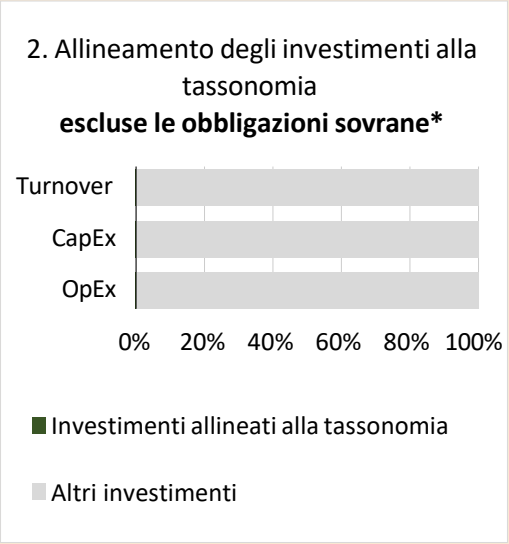
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

0% Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento. Durante il periodo di riferimento, la Società di gestione non disponeva di dati relativi all'allineamento alla tassonomia.

I due grafici che seguono mostrano in verde la percentuale di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento alla tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

0

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

Quali investimenti erano compresi nella categoria "#2 Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti inclusi nella voce "Altro" erano disponibilità liquide utilizzate a fini di liquidità e strumenti derivati utilizzati per la gestione efficiente del portafoglio e a scopo di investimento. Tali investimenti non erano soggetti a garanzie minime di salvaguardia ambientale o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Come menzionato nella risposta alla domanda 1, durante il periodo di riferimento il Comparto ha promosso caratteristiche ambientali e sociali tramite le seguenti azioni:
1. Paesi esclusi;
2. Integrazione ESG

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario soddisfi le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

Informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Per **investimento sostenibile** si intende un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o meno alla tassonomia.

Nome del prodotto: NN (L) Emerging Markets Debt (Hard Currency)

Identificativo della persona giuridica: 5493000PS4D9LNWGNX55

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** __%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo) __% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** __%	☒ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**



Gli **indicatori di sostenibilità** misurano il rispetto delle caratteristiche ambientali o sociali promosse dal prodotto finanziario.

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Nel periodo di riferimento, le norme tecniche di regolamentazione (RTS) dell'SFDR non erano ancora applicabili e il modello di informativa precontrattuale incluso nelle RTS dell'SFDR (Allegato II) non era ancora disponibile per questo Comparto. Nel periodo di riferimento, il prospetto informativo non conteneva alcun impegno esplicito a effettuare Investimenti sostenibili come definiti nell'SFDR. Gli indicatori di sostenibilità scelti riflettono le caratteristiche ambientali e sociali promosse dal Comparto, ma non sono stati inclusi nel prospetto informativo applicabile nel periodo di riferimento.

Nel periodo di riferimento, il Comparto ha promosso caratteristiche ambientali e sociali. Più precisamente:

1. Investimenti limitati in società coinvolte in attività controverse e in società coinvolte in comportamenti controversi.
Il Comparto ha soddisfatto questa caratteristica applicando i criteri di investimento responsabile basato su

norme della Società di gestione, come stabilito nella Politica d'investimento responsabile della Società di gestione. Nel periodo di riferimento, il Comparto non ha investito in emittenti che, conformemente alle soglie stabilite nella Politica d'investimento responsabile della Società di gestione e nel Quadro di riferimento per l'investimento responsabile della Società di gestione, hanno realizzato una determinata percentuale del proprio fatturato da attività correlate a:

- sviluppo, produzione, manutenzione o commercio di armi controverse (0%);
- fornitura controversa di armi (0%);
- produzione di tabacco (≥ 50%);
- produzione di sabbie bituminose e condotte controverse (≥ 20%);
- estrazione di carbone termico (≥ 20%).

Questi criteri sono stati verificati quotidianamente nel sistema di gestione del portafoglio Aladdin. All'interno della Società di gestione, la responsabilità di tali controlli giornalieri sulle restrizioni agli investimenti spetta alla divisione Gestione del rischio. Per stabilire se le società svolgono le suddette attività si è fatto affidamento sulle informazioni esterne di fornitori di dati ESG.
La prestazione di questa caratteristica è stata misurata con l'indicatore "Esclusione degli investimenti in emittenti coinvolti in attività controverse e in emittenti coinvolti in comportamenti controversi".

2. Paesi esclusi.
Nel periodo di riferimento, non sono stati effettuati investimenti in paesi soggetti a misure di embargo sulle armi imposte dal Consiglio di sicurezza delle Nazioni Unite. Analogamente, non vengono effettuati investimenti nei paesi inclusi nell'elenco della Financial Action Task Force perché soggetti a un "Invito all'azione". Nel periodo di riferimento, i paesi esclusi in base a tali motivazioni sono stati: Repubblica Centrafricana, Cuba, Corea del Nord, Iran, Libia, Somalia, Sud Sudan, Sudan e Siria.

La prestazione di questa caratteristica è stata misurata con l'indicatore "Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un "Invito all'azione"".

3. Il Comparto ha soddisfatto questa caratteristica applicando l'approccio del Gestore all'integrazione ESG.

L'intento iniziale era di utilizzare le informazioni ESG nella valutazione delle società per identificare rischi o opportunità in ambito ESG. L'obiettivo si focalizza pertanto sul processo d'investimento e non sulla realizzazione di determinati risultati. Durante il periodo di riferimento, in conformità con l'obiettivo, i rischi e le opportunità ambientali, sociali e di governance (ESG) per la maggior parte degli investimenti sono stati (1) identificati in base alla rilevanza, (2) valutati coerentemente nell'intero processo di investimento e (3) documentati sistematicamente. Le informazioni aggiuntive fornite dai dati ESG sono state utilizzate per mitigare i rischi e sfruttare le nuove opportunità d'investimento.
1. Il sistema Materiality Framework di NN IP stabilisce per quali società sono rilevanti (sostanziali) i fattori ESG nei vari settori. La struttura è composta da 4 pilastri: modello di business, governance, fattori ambientali e fattori sociali. I fattori di governance, sociali e ambientali sono ulteriormente suddivisi in argomenti specifici.
2. La valutazione iniziale si traduce in numerosi dati che determinano un punteggio ESG complessivo. Tale punteggio ESG e/o i dati sottostanti influenzano la valutazione interna di una società. A parità di tutte le altre circostanze, un punteggio ESG migliore influisce positivamente sulla valutazione di una società.
3. Il punteggio ESG e l'analisi delle informazioni sottostanti influenzano la valutazione di una società e confluiscono in una tesi di investimento.

4. Ha adottato prassi di buona governance, rispettato i diritti umani e dei lavoratori e assunto impegni di tutela dell'ambiente e prevenzione della corruzione attiva e passiva.
Il Comparto ha soddisfatto questa caratteristica valutando in che misura le imprese beneficiarie degli investimenti agiscono in conformità alla legislazione pertinente e agli standard riconosciuti a livello internazionale, ovvero le linee guida OCSE destinate alle imprese multinazionali, i Principi guida delle Nazioni Unite su imprese e diritti umani e il Global Compact delle Nazioni Unite.

Ogni società viene costantemente monitorata per assicurarsi che non violi gli "Standard globali". Le

società “non conformi” agli Standard globali sono state valutate dal Controversy & Engagement Council di NN IP, che ha eseguito ulteriori indagini per verificare eventuali violazioni degli Standard globali. Laddove sono emerse violazioni, è stato avviato un dialogo con le società interessate allo scopo di porre fine alle stesse e/o di mitigarne l’impatto. Nel caso in cui tale esito sia stato considerato improbabile, le società sono state escluse. Un elenco delle società escluse sulla base delle violazioni di Standard globali è stato pubblicato sul sito web dell’amministratore nel periodo di riferimento. L’elenco è disponibile all’indirizzo: https://www.nnip.com/en-INT/professional/themes/responsible-investing-policy-documents.
La prestazione di questa caratteristica è stata misurata con l’indicatore “Limitazione degli investimenti in emittenti che violano in modo sostanziale standard riconosciuti a livello internazionale, come ad esempio: le linee guida OCSE destinate alle imprese multinazionali, i Principi guida delle Nazioni Unite su imprese e diritti umani e il Global Compact delle Nazioni Unite".

5. Ha preferito l’inclusione rispetto all’esclusione attraverso l’impegno
- Impegno basato su norme: In conformità alla Politica d’investimento responsabile basato su norme della Società di gestione, il Comparto escluderà l’investimento in emittenti coinvolti in attività quali, a titolo esemplificativo ma non esaustivo, sviluppo, produzione, manutenzione o commercio di armi controverse, produzione di prodotti del tabacco, estrazione di carbone termico e/o estrazione di sabbie bituminose. La conformità ai criteri d’investimento responsabile basato su norme dipende da soglie di ricavi prestabilite, come indicato nella Politica d’investimento responsabile di NN IP, e fa affidamento su dati di terze parti. In presenza di segnali evidenti secondo cui un emittente potrebbe non aver soddisfatto i requisiti minimi della Società di gestione in fatto di investimento responsabile basato su norme, va stabilito se tale comportamento costituisce una violazione di detti criteri. Se si ritiene possibile porre rimedio al comportamento e alle prassi delle imprese beneficiarie degli investimenti tramite iniziative di impegno, si preferirà tale approccio rispetto al disinvestimento. Per informazioni aggiornate sulle soglie e sulle attività, si rimanda alla Politica d’investimento responsabile di NN IP disponibile sul sito web.

- Impegno in caso di controversie: ogni società è stata costantemente monitorata per stabilire se fosse coinvolta in controversie ESG. Le controversie ESG sono valutate da un fornitore di dati indipendente tramite l'assegnazione di un punteggio (1 = punteggio minimo, 5 = punteggio massimo). Le società con un punteggio legato alle controversie pari a 4 o 5 sono state valutate dal Controversy & Engagement Council di NN IP, che ha eseguito ulteriori indagini per verificare eventuali violazioni dei criteri di investimento responsabile basato su norme della Società di gestione. Sulla base di quanto emerso da tali indagini, si è deciso se avviare iniziative di impegno con la società o se inserirla nell’elenco di esclusione. Un elenco delle società escluse perché coinvolte in tali controversie è stato pubblicato sul sito web dell’amministratore nel periodo di riferimento. L’elenco è disponibile all’indirizzo: https://www.nnip.com/en-INT/professional/themes/responsible-investing-policy-documents.

La prestazione di questa caratteristica è stata misurata con l’indicatore “Numero di emittenti coinvolti in iniziative di impegno in caso di controversie”.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore	Portafoglio	Indice di riferimento
Numero di emittenti coinvolti in iniziative di impegno in caso di controversie	11	Non disponibile
Limitazione degli investimenti in emittenti che violano in modo sostanziale standard riconosciuti a livello internazionale, come ad esempio: le linee guida OCSE destinate alle imprese multinazionali, i Principi guida delle Nazioni Unite su imprese e diritti umani e il Global Compact delle Nazioni Unite	Tali investimenti sono stati evitati in linea con la descrizione fornita nella domanda precedente	Non disponibile
Esclusione degli investimenti in società coinvolte in attività controverse e in società coinvolte in comportamenti controversi	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile
Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un “Invito all’azione”	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile

...e rispetto ai periodi precedenti?

	2022		2021	
Indicatore	**Portafoglio**	**Indice di riferimento**	**Portafoglio**	**Indice di riferimento**
Numero di emittenti coinvolti in iniziative di impegno in caso di controversie	11	Non disponibile		
Limitazione degli investimenti in emittenti che violano in modo sostanziale standard riconosciuti a livello internazionale, come ad esempio: le linee guida OCSE destinate alle imprese multinazionali, i Principi guida delle Nazioni Unite su imprese e diritti umani e il Global Compact delle Nazioni Unite	Tali investimenti sono stati evitati in linea con la descrizione fornita nella domanda precedente	Non disponibile		
Esclusione degli investimenti in società coinvolte in attività controverse e in società coinvolte in comportamenti controversi	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile		
Esclusione degli investimenti in paesi soggetti a misure di embargo sulle armi a livello nazionale imposte dal Consiglio di sicurezza delle Nazioni Unite e in paesi inclusi nell'elenco della Financial Action Task Force, che sono soggetti a un "Invito all'azione"	Tali investimenti sono stati esclusi in linea con la descrizione fornita nella domanda precedente	Non disponibile		

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario ha in parte realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale,

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili

il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

allineati all'SFDR durante il periodo di riferimento.

Gli investimenti sostenibili erano allineati alle linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Dettagli:

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Durante il periodo di riferimento, gli indicatori dei principali effetti negativi (PAI) non erano ancora in vigore. Tuttavia, durante il periodo di riferimento, nell'ambito del processo d'investimento del Comparto si è tenuto conto di elementi relativi ai PAI. Ciò è avvenuto tramite i criteri di restrizione per gli investimenti responsabili e la proprietà attiva, nonché tramite le politiche della Società di gestione. In questo processo, si è tenuto conto dei seguenti PAI:
- PAI 4: esposizione a imprese attive nel settore dei combustibili fossili (tramite criteri di restrizione, impegno tematico e in caso di controversie ed esercizio del diritto di voto);

- PAI 7: attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità (tramite coinvolgimento tematico);

- PAI 10: violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali (tramite criteri di restrizione, esercizio del diritto di voto e impegno in caso di controversie);

- PAI 11: mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali (tramite impegno in caso di controversie);

- PAI 13: diversità di genere nel Consiglio (tramite esercizio del diritto di voto e impegno tematico);

- PAI 14: esposizione ad armi controverse (tramite criteri di restrizione);

- PAI 16 Paesi beneficiari degli investimenti coinvolti in violazioni di carattere sociale (tramite criteri di restrizione).



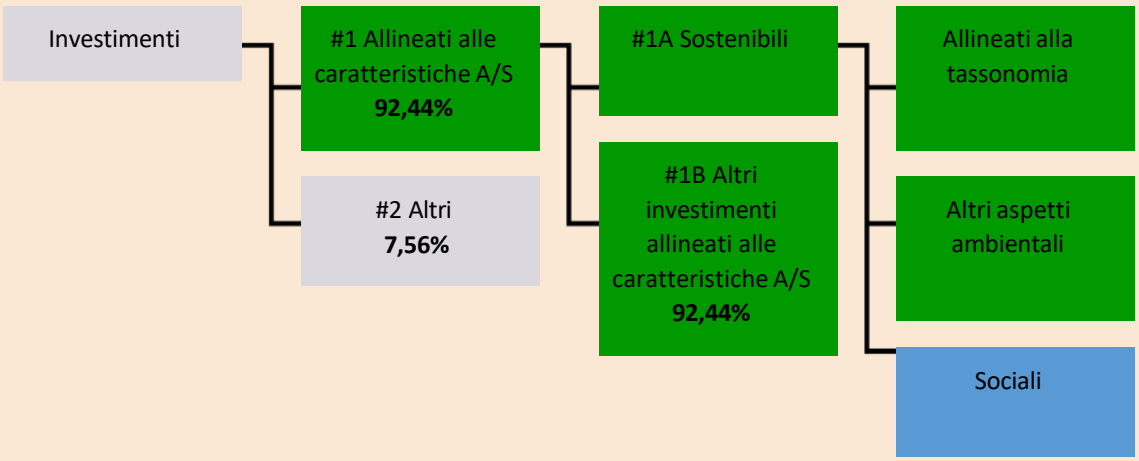
Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno rappresentato **la quota maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ossia: 30/09/2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
TREASURY BILL 0,000% 2022-10-20		1,61	Stati Uniti
1MDB GLOBAL INVESTMENTS RegS 4,400% 2023-03-09		1,54	Malesia
US TREASURY N/B 0,125% 2022-10-31		1,16	Stati Uniti
KAZMUNAYGAS NATIONAL CO RegS 5,750% 2047-04-19		1,15	Kazakistan
REPUBLICA ORIENT URUGUAY 4,975% 2055-04-20		1,09	Uruguay
US TREASURY N/B 2,000% 2022-11-30		1,06	Stati Uniti
STATE OF QATAR RegS 4,817% 2049-03-14		0,95	Qatar
REPUBLIC OF SOUTH AFRICA 5,750% 2049-09-30		0,86	Sudafrica
OMAN GOV INTERNTL BOND MTN RegS 6,750% 2048-01-17		0,83	Oman
FED REPUBLIC OF BRAZIL 4,750% 2050-01-14		0,8	Brasile
ABU DHABI GOVT INTL RegS 3,125% 2049-09-30		0,8	Emirati Arabi Uniti
REPUBLIC OF ANGOLA MTN RegS 9,125% 2049-11-26		0,74	Angola
REPUBLIC OF PERU 3,230% 2121-07-28		0,73	Perù
POWER SECTOR ASSETS & LI 9,625% 2028-05-15		0,69	Filippine
REPUBLIC OF COLOMBIA 5,000% 2045-06-15		0,67	Colombia

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata la quota degli investimenti in materia di sostenibilità?



#1 Allineati alle caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati alle caratteristiche A/S** comprende:
- La sottocategoria **#1B Altri investimenti allineati alle caratteristiche A/S** contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore	% di attivi

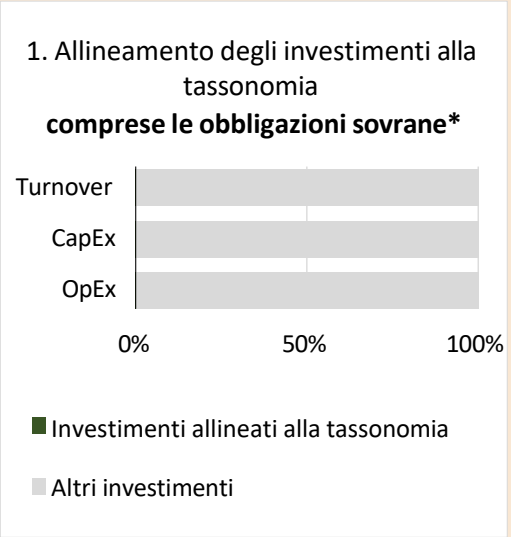
Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

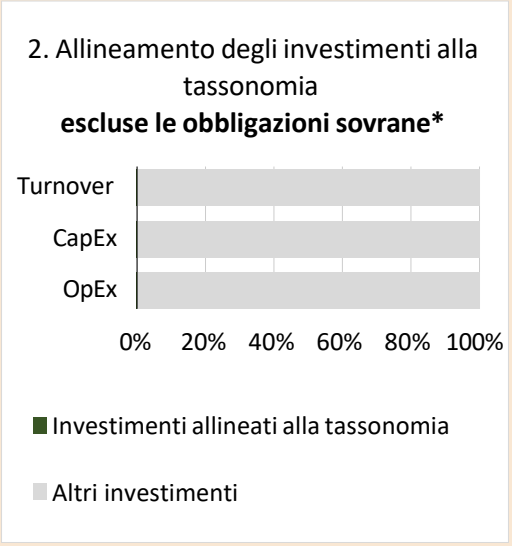
Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

0% Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento. Durante il periodo di riferimento, la Società di gestione non disponeva di dati relativi all'allineamento alla tassonomia.

I due grafici che seguono mostrano in verde la percentuale di investimenti allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento alla tassonomia delle obbligazioni sovrane*, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





** Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane*

Qual era la quota degli investimenti effettuati in attività di transizione e abilitanti?

0

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

Qual era la quota di investimenti socialmente sostenibili?

Non applicabile. Il Comparto non si è impegnato esplicitamente a effettuare investimenti sostenibili allineati all'SFDR durante il periodo di riferimento.

Quali investimenti erano compresi nella categoria "#2 Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

Gli investimenti inclusi nella voce "Altri" erano disponibilità liquide utilizzate a fini di liquidità, strumenti derivati per la gestione efficiente del portafoglio/a scopo d'investimento e investimenti in OICVM e OIC necessari per conseguire l'obiettivo d'investimento del Comparto. Tali investimenti non erano soggetti a garanzie minime di salvaguardia ambientale o sociale.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Come menzionato nella risposta alla domanda 1, durante il periodo di riferimento il Comparto ha promosso caratteristiche ambientali e sociali tramite le seguenti azioni:
1. Limitazione degli investimenti in emittenti coinvolti in attività controverse e in emittenti coinvolti in comportamenti controversi.
2. Paesi esclusi;
3. Nel processo decisionale relativo agli investimenti, ha tenuto conto dei fattori ESG di ciascun emittente.
4. Ha adottato prassi di buona governance, rispettato i diritti umani e dei lavoratori, e assunto impegni di tutela dell'ambiente e prevenzione della corruzione attiva e passiva.
5. Ha preferito l'inclusione rispetto all'esclusione attraverso l'impegno.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario soddisfi le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non applicabile. Questo Comparto era gestito attivamente e pertanto non aveva un indice specifico designato come indice di riferimento per determinare se questo prodotto finanziario fosse allineato alle caratteristiche ambientali o sociali che promuoveva.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Nordea 1 - Emerging Stars Equity Fund

Identificativo della persona giuridica: 549300UFJRQ77N3UYE48

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco **di attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☑ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ____%	☑ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 66% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☑ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%	☑ con un obiettivo sociale
	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli indicatori di sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Le caratteristiche A/S di questo fondo includevano:

Quota minima di investimenti sostenibili Il fondo ha investito parzialmente in investimenti sostenibili, ossia in società ed emittenti coinvolti in attività che contribuiscono a un obiettivo ambientale o sociale come indicato nei 17 Obiettivi di sviluppo sostenibile (SDG) delle Nazioni Unite e/o nella tassonomia dell'UE, senza arrecare un danno significativo ad altri obiettivi ambientali o sociali.

Punteggio ESG Il fondo ha investito in titoli di emittenti i cui profili ESG sono stati valutati da Nordea Asset Management (NAM), o da un fornitore di dati esterno e quindi analizzati da NAM, per assicurare che soltanto i titoli emessi da soggetti che soddisfano il punteggio ESG minimo richiesto dal fondo fossero idonei all'inclusione.

Esclusioni settoriali e basate sul valore Al processo di costruzione del portafoglio sono stati applicati filtri di esclusione in modo da limitare gli investimenti in società ed emittenti con un'esposizione significativa ad alcune attività considerate nocive per l'ambiente o per la società in senso lato, ad esempio in società operanti nel settore del tabacco o in quello dei combustibili fossili.

La Politica di Nordea Asset Management sui combustibili fossili allineata all'accordo di Parigi, in base alla quale il fondo non ha investito in società con un'esposizione significativa ai combustibili fossili, salvo che in presenza di una strategia di transizione credibile.

Il fondo ha utilizzato un parametro di riferimento che non è allineato alle caratteristiche A/S del fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore di sostenibilità	Metrica	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	15 tCO2e / m€ investito	97,66%	97,49%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,00% coinvolti in violazioni	97,66%	97,61%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

...e rispetto ai periodi precedenti?

Indicatore di sostenibilità	Metrica	Periodo di riferimento	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	2022	15 tCO2e / m€ investito	97,66%	97,49%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	2022	0,00% coinvolti in violazioni	97,66%	97,61%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Poiché non sono disponibili rapporti relativi a periodi precedenti, questa sezione fornisce informazioni solo per il periodo di riferimento attuale.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il fondo ha in parte realizzato consistevano nel contribuire a uno o più degli SDG delle Nazioni Unite o, in alternativa, nel partecipare ad attività allineate alla tassonomia. Gli investimenti sostenibili hanno contribuito agli obiettivi attraverso gli investimenti del fondo in società che promuovevano gli SDG delle Nazioni Unite o le attività allineate alla tassonomia, superando una soglia minima di allineamento dei ricavi agli SDG delle Nazioni Unite o alla tassonomia dell'UE.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Gli investimenti sostenibili sono stati analizzati per garantire che non arrecassero un danno significativo ad altri obiettivi sociali o ambientali (test DNSH, "Do no significant harm") secondo la definizione riportata dalla tassonomia dell'UE o in base a SDG adottati dalle Nazioni Unite.

  - ***In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?***

    Nordea Asset Management (NAM) ha sviluppato una metodologia quantitativa proprietaria che valuta l'impatto ambientale e sociale del proprio universo d'investimento (in particolare degli investimenti diretti) utilizzando molteplici indicatori dei principali effetti negativi ("PAI", Principal Adverse Impact) tratti dalla Tabella 1 e/o dalla Tabella 2 e/o dalla Tabella 3 dell'Allegato 1 degli RTS SFDR (lo "strumento PAI"). La metodologia ha utilizzato una gamma diversificata di fonti di dati per assicurare che le performance delle imprese beneficiarie degli investimenti fossero analizzate in modo appropriato. Gli indicatori PAI sono stati valutati nello strumento PAI di NAM e i risultati hanno rappresentato una parte significativa del test DNSH.

  - ***Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:***

    L'allineamento degli Investimenti sostenibili con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani è stato confermato nell'ambito del processo volto ad identificare gli investimenti sostenibili utilizzando lo strumento PAI di Nordea Asset Management.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Gli indicatori PAI specifici che sono stati presi in considerazione per questo fondo erano:

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Emissioni di GHG	Emissioni di GHG di ambito 1	11.932 tCO2e	97,66%	97,49%
		Emissioni di GHG di ambito 2	36.806 tCO2e	97,66%	97,49%
		Dal 1° gennaio 2023, emissioni di GHG di ambito 3	399.049 tCO2e	97,66%	97,49%
		Emissioni totali di GHG	48.738 tCO2e	97,66%	97,49%
	Impronta di carbonio	Impronta di carbonio	15 tCO2e / m€ investito	97,66%	97,49%
	Intensità di GHG delle imprese beneficiarie degli investimenti	Intensità di GHG delle imprese beneficiarie degli investimenti	74 tCO2e / m€ di fatturato realizzato	97,66%	97,61%
	Esposizione a imprese attive nel settore dei combustibili fossili	Quota di investimenti in imprese attive nel settore dei combustibili fossili	0,00% investimenti in combustibili fossili	97,66%	95,82%
	Quota di consumo e produzione di energia non rinnovabile	Quota di consumo di energia non rinnovabile e di produzione di energia non rinnovabile delle imprese beneficiarie degli investimenti da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile	79,58% consumo di energia non rinnovabile	97,66%	50,98%
			NA	NA	NA

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Intensità di consumo energetico per settore ad alto impatto climatico	Agricoltura, silvicoltura e pesca (A)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Industria estrattiva (B)	1,17 GWh / m€ di fatturato	1,71%	1,71%
		Industria manifatturiera (C)	0,22 GWh / m€ di fatturato	42,45%	41,09%
		Fornitura di energia elettrica, gas, vapore e aria condizionata (D)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Approvvigionamento idrico, reti fognarie, attività di trattamento dei rifiuti e decontaminazione (E)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Edilizia (F)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli (G)	0,06 GWh / m€ di fatturato	15,56%	9,74%
		Trasporto e stoccaggio (H)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Attivi immobiliari (L)	0,00 GWh / m€ di fatturato	0,00%	0,00%
Biodiversità	Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Quota di investimenti in imprese beneficiarie degli investimenti che dispongono di siti o svolgono operazioni in aree sensibili sotto il profilo della biodiversità, o in aree adiacenti	0,22% con impatto negativo	97,66%	96,91%
Acqua	Emissioni in acqua	Tonnellate di emissioni in acqua generate dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,01 tonnellate / m€ investito	97,66%	13,31%
Rifiuti	Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,86 tonnellate / m€ investito	97,66%	58,29%

PROBLEMATICHE SOCIALI E CONCERNENTI IL PERSONALE, IL RISPETTO DEI DIRITTI UMANI E LE QUESTIONI RELATIVE ALLA LOTTA ALLA CORRUZIONE ATTIVA E PASSIVA

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Problematiche sociali e concernenti il personale	Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,00% coinvolti in violazioni	97,66%	97,61%
	Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che non dispongono di politiche per monitorare la conformità ai principi del Global Compact delle Nazioni Unite o alle linee guida OCSE destinate alle imprese multinazionali, o ancora di meccanismi di trattamento dei reclami/ delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida dell'OCSE per le imprese multinazionali	0,33% senza politiche	97,66%	39,51%
	Divario retributivo di genere non corretto	Media del divario retributivo di genere non corretto nelle imprese beneficiarie degli investimenti	2,57% divario retributivo	97,66%	13,99%
	Diversità di genere nel consiglio	Rapporto medio donne/uomini tra i membri del consiglio delle imprese beneficiarie degli investimenti, espresso in percentuale di tutti i membri del consiglio	16,65% (amministratori donna / totale amministratori)	97,66%	95,87%
	Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)	Quota di investimenti nelle imprese beneficiarie di investimenti coinvolte nella fabbricazione o nella vendita di armi controverse	0,00% coinvolgimento	97,66%	97,61%

INDICATORI APPLICABILI AGLI INVESTIMENTI IN EMITTENTI SOVRANI E ORGANIZZAZIONI SOVRANAZIONALI

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Ambientali	Intensità di GHG per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	NA	NA	NA
Sociali	Paesi che beneficiano degli investimenti soggetti a violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	NA	NA	NA
			NA	NA	NA
Governance	Giurisdizioni fiscali non cooperative	Investimenti effettuati in giurisdizioni che figurano nell'elenco UE delle giurisdizioni non cooperative a fini fiscali	NA	NA	NA

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Quali sono stati i principali investimenti di questo prodotto finanziario?

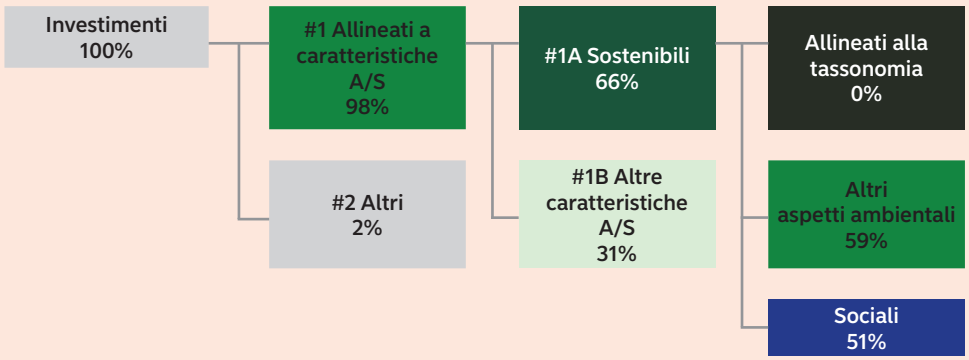
L'elenco comprende gli investimenti che hanno costituito **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:
1° gennaio 2022 -
31 dicembre 2022

Investimenti di maggiore entità	Settore	Attività	Paese
Taiwan Semiconductor Manufacturing	Tecnologia	9,17%	Taiwan, Provincia della Cina
Samsung Electronics	Tecnologia	7,64%	Repubblica di Corea
Tencent Holdings	Comunicazioni	6,03%	Cina
Alibaba Group Holding	Comunicazioni	4,75%	Cina
HDFC Bank	Finanza	2,95%	India
Grupo Financiero Banorte	Finanza	2,93%	Messico
Samsung SDI	Comunicazioni	2,86%	Repubblica di Corea
AIA Group	Finanza	2,79%	Hong Kong
Meituan	Comunicazioni	2,68%	Cina
JD.com	Comunicazioni	2,66%	Cina
Itau Unibanco Holding	Finanza	2,50%	Brasile
East Money Information	Comunicazioni	2,41%	Cina

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria #1**B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.
-

Il prodotto include investimenti con obiettivi sia ambientali che sociali. Un singolo investimento può contribuire sia a un obiettivo ambientale che a un obiettivo sociale, il che si traduce in un'allocazione totale superiore al 100%. Non esiste una priorità per quanto riguarda gli obiettivi ambientali e sociali e la strategia non prevede un'allocazione specifica o una percentuale minima per queste categorie. Il processo d'investimento consente una combinazione degli obiettivi ambientali e sociali, conferendo al gestore degli investimenti la flessibilità di effettuare allocazioni in linea con tali obiettivi in base alla disponibilità e all'attrattiva delle opportunità d'investimento.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Attività
Comunicazioni	24,64%
Finanza	23,98%
Tecnologia	23,45%
Consumi non ciclici	8,91%
Industria	6,30%
Consumi ciclici	5,91%
Liquidità	2,51%
Energia	2,43%
Materiali di base	1,87%
Totale	**100,00%**

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE era del 59%.



Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era del 51%.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La liquidità può essere stata detenuta come liquidità accessoria o a fini di bilanciamento del rischio. Il fondo può aver utilizzato derivati e altre tecniche per le finalità descritte nella sezione "Descrizioni dei fondi" del prospetto informativo. Questa categoria può anche aver incluso titoli per i quali non sono disponibili dati rilevanti.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento usata per selezionare gli investimenti al fine di rispettare ciascuna delle caratteristiche ambientali o sociali promosse da questo fondo sono stati monitorati e documentati su base continuativa.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Nordea 1 - European Covered Bond Fund

Identificativo della persona giuridica: 549300ODKXRGT6EIFH77

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco **di attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

● ● ☐ **Sì**

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%

● ○ ☑ **No**

☑ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 13% di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo sociale

☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli indicatori di sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Le caratteristiche A/S di questo fondo includevano:

Investimenti sostenibili Benché non si sia impegnato a effettuare investimenti sostenibili, il fondo ha investito parzialmente in investimenti sostenibili, ossia in società ed emittenti coinvolti in attività che contribuiscono a un obiettivo ambientale o sociale come indicato nei 17 Obiettivi di sviluppo sostenibile (SDG) delle Nazioni Unite e/o nella tassonomia dell'UE, senza arrecare un danno significativo ad altri obiettivi ambientali o sociali.

Esclusioni settoriali e basate sul valore Al processo di costruzione del portafoglio sono stati applicati filtri di esclusione in modo da limitare gli investimenti in società ed emittenti con un'esposizione significativa ad alcune attività considerate nocive per l'ambiente o per la società in senso lato, ad esempio in società operanti nel settore del tabacco o in quello dei combustibili fossili.

La Politica di Nordea Asset Management sui combustibili fossili allineata all'accordo di Parigi, in base alla quale il fondo non ha investito in società con un'esposizione significativa ai combustibili fossili, salvo che in presenza di una strategia di transizione credibile.

Il fondo ha utilizzato un parametro di riferimento che non è allineato alle caratteristiche A/S del fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore di sostenibilità	Metrica	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	0 tCO2e / m€ investito	85,43%	75,44%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
		0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,00% coinvolti in violazioni	85,43%	64,51%
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	219,39 tCO2e / m€ di PIL detenuto	11,03%	10,56%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

...e rispetto ai periodi precedenti?

Indicatore di sostenibilità	Metrica	Periodo di riferimento	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	2022	0 tCO2e / m€ investito	85,43%	75,44%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	2022	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
		2022	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	2022	0,00% coinvolti in violazioni	85,43%	64,51%
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	2022	219,39 tCO2e / m€ di PIL detenuto	11,03%	10,56%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Poiché non sono disponibili rapporti relativi a periodi precedenti, questa sezione fornisce informazioni solo per il periodo di riferimento attuale.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il fondo ha in parte realizzato consistevano nel contribuire a uno o più degli SDG delle Nazioni Unite o, in alternativa, nel partecipare ad attività allineate alla tassonomia. Gli investimenti sostenibili hanno contribuito agli obiettivi attraverso gli investimenti del fondo in società che promuovono gli SDG delle Nazioni Unite o le attività allineate alla tassonomia, superando una soglia minima di allineamento dei ricavi agli SDG delle Nazioni Unite o alla tassonomia dell'UE.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Gli investimenti sostenibili sono stati analizzati per garantire che non arrecassero un danno significativo ad altri obiettivi sociali o ambientali (test DNSH, "Do no significant harm") secondo la definizione riportata dalla tassonomia dell'UE o in base a SDG adottati dalle Nazioni Unite.

  - ***In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?***

    Nordea Asset Management (NAM) ha sviluppato una metodologia quantitativa proprietaria che valuta l'impatto ambientale e sociale del proprio universo d'investimento (in particolare degli investimenti diretti) utilizzando molteplici indicatori dei principali effetti negativi ("PAI", Principal Adverse Impact) tratti dalla Tabella 1 e/o dalla Tabella 2 e/o dalla Tabella 3 dell'Allegato 1 degli RTS SFDR (lo "strumento PAI"). La metodologia ha utilizzato una gamma diversificata di fonti di dati per assicurare che le performance delle imprese beneficiarie degli investimenti fossero analizzate in modo appropriato. Gli indicatori PAI sono stati valutati nello strumento PAI di NAM e i risultati hanno rappresentato una parte significativa del test DNSH.

  - ***Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:***

    L'allineamento degli Investimenti sostenibili con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani è stato confermato nell'ambito del processo volto ad identificare gli investimenti sostenibili utilizzando lo strumento PAI di Nordea Asset Management.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Gli indicatori PAI specifici che sono stati presi in considerazione per questo fondo erano:

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Emissioni di GHG	Emissioni di GHG di ambito 1	685 tCO2e	85,43%	75,44%
		Emissioni di GHG di ambito 2	1.143 tCO2e	85,43%	75,44%
		Dal 1° gennaio 2023, emissioni di GHG di ambito 3	221.598 tCO2e	85,43%	75,36%
		Emissioni totali di GHG	1.827 tCO2e	85,43%	75,44%
	Impronta di carbonio	Impronta di carbonio	0 tCO2e / m€ investito	85,43%	75,44%
	Intensità di GHG delle imprese beneficiarie degli investimenti	Intensità di GHG delle imprese beneficiarie degli investimenti	4 tCO2e / m€ di fatturato realizzato	85,43%	78,36%
	Esposizione a imprese attive nel settore dei combustibili fossili	Quota di investimenti in imprese attive nel settore dei combustibili fossili	0,00% investimenti in combustibili fossili	85,43%	31,46%
	Quota di consumo e produzione di energia non rinnovabile	Quota di consumo di energia non rinnovabile e di produzione di energia non rinnovabile delle imprese beneficiarie degli investimenti da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile	49,93% consumo di energia non rinnovabile	85,43%	61,94%
			NA	NA	NA

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Intensità di consumo energetico per settore ad alto impatto climatico	Agricoltura, silvicoltura e pesca (A)	NA	NA	NA
		Industria estrattiva (B)	NA	NA	NA
		Industria manifatturiera (C)	NA	NA	NA
		Fornitura di energia elettrica, gas, vapore e aria condizionata (D)	NA	NA	NA
		Approvvigionamento idrico, reti fognarie, attività di trattamento dei rifiuti e decontaminazione (E)	NA	NA	NA
		Edilizia (F)	NA	NA	NA
		Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli (G)	NA	NA	NA
		Trasporto e stoccaggio (H)	NA	NA	NA
		Attivi immobiliari (L)	NA	NA	NA
Biodiversità	Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Quota di investimenti in imprese beneficiarie degli investimenti che dispongono di siti o svolgono operazioni in aree sensibili sotto il profilo della biodiversità, o in aree adiacenti	0,00% con impatto negativo	85,43%	39,91%
Acqua	Emissioni in acqua	Tonnellate di emissioni in acqua generate dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	NA	NA	NA
Rifiuti	Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,00 tonnellate / m€ investito	85,43%	12,82%

PROBLEMATICHE SOCIALI E CONCERNENTI IL PERSONALE, IL RISPETTO DEI DIRITTI UMANI E LE QUESTIONI RELATIVE ALLA LOTTA ALLA CORRUZIONE ATTIVA E PASSIVA

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Problematiche sociali e concernenti il personale	Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,00% coinvolti in violazioni	85,43%	64,51%
	Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che non dispongono di politiche per monitorare la conformità ai principi del Global Compact delle Nazioni Unite o alle linee guida OCSE destinate alle imprese multinazionali, o ancora di meccanismi di trattamento dei reclami/ delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida dell'OCSE per le imprese multinazionali	0,00% senza politiche	85,43%	42,70%
	Divario retributivo di genere non corretto	Media del divario retributivo di genere non corretto nelle imprese beneficiarie degli investimenti	18,91% divario retributivo	85,43%	25,02%
	Diversità di genere nel consiglio	Rapporto medio donne/uomini tra i membri del consiglio delle imprese beneficiarie degli investimenti, espresso in percentuale di tutti i membri del consiglio	39,67% (amministratori donna / totale amministratori)	85,43%	57,15%
	Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)	Quota di investimenti nelle imprese beneficiarie di investimenti coinvolte nella fabbricazione o nella vendita di armi controverse	0,00% coinvolgimento	85,43%	65,50%

INDICATORI APPLICABILI AGLI INVESTIMENTI IN EMITTENTI SOVRANI E ORGANIZZAZIONI SOVRANAZIONALI

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Ambientali	Intensità di GHG per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	219,39 tCO2e / m€ di PIL detenuto	11,03%	10,56%
Sociali	Paesi che beneficiano degli investimenti soggetti a violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
			0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%
Governance	Giurisdizioni fiscali non cooperative	Investimenti effettuati in giurisdizioni che figurano nell'elenco UE delle giurisdizioni non cooperative a fini fiscali	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,03%	11,03%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Quali sono stati i principali investimenti di questo prodotto finanziario?

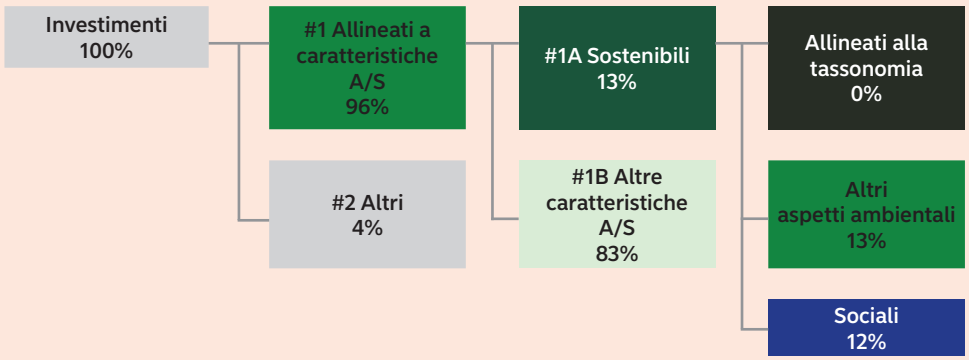
L'elenco comprende gli investimenti che hanno costituito **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:
1° gennaio 2022 -
31 dicembre 2022

Investimenti di maggiore entità	Settore	Attività	Paese
Nykredit Realkredit 1% 07-01-2025 SDO A H	Finanza	3,49%	Danimarca
Banca Monte dei Paschi di Si 0.875% 08-10-2026	Finanza	2,37%	Italia
Nykredit Realkredit 2% 01-01-2026 SDO A H	Finanza	2,08%	Danimarca
Canadian Imperial Bank of Co 0.01% 07-10-2026	Finanza	1,52%	Canada
Cooperatieve Rabobank UA 0.01% 02-07-2030	Finanza	1,48%	Paesi Bassi
Banca Monte dei Paschi di Si 2% 29-01-2024	Finanza	1,46%	Italia
Nordea Kredit 1% 04-01-2026 IO SDRO A 2	Finanza	1,38%	Danimarca
Cie de Financement Foncier S 0.01% 16-04-2029	Finanza	1,36%	Francia
Hellenic Republic Government 1.5% 18-06-2030	Governo	1,36%	Grecia
Nordea Kredit 1% 10-01-2025 IO SDRO A 2	Finanza	1,29%	Danimarca
Bank of Nova Scotia/The 0.375% 26-03-2030	Finanza	1,28%	Canada
Alpha Bank SA 2.5% 05-02-2023	Finanza	1,25%	Grecia
Banca Monte dei Paschi di Si 2.875% 16-07-2024	Finanza	1,21%	Italia
Hellenic Republic Government 1.875% 24-01-2052	Governo	1,17%	Grecia
Nykredit Realkredit 1% 07-01-2026 SDO A H	Finanza	1,17%	Danimarca

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria #1**B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Il prodotto include investimenti con obiettivi sia ambientali che sociali. Un singolo investimento può contribuire sia a un obiettivo ambientale che a un obiettivo sociale, il che si traduce in un'allocazione totale superiore al 100%. Non esiste una priorità per quanto riguarda gli obiettivi ambientali e sociali e la strategia non prevede un'allocazione specifica o una percentuale minima per queste categorie. Il processo d'investimento consente una combinazione degli obiettivi ambientali e sociali, conferendo al gestore degli investimenti la flessibilità di effettuare allocazioni in linea con tali obiettivi in base alla disponibilità e all'attrattiva delle opportunità d'investimento.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Attività
Finanza	80,82%
Titoli di Stato	16,33%
Liquidità	3,07%
Contratti a termine su valute	-0,04%
Derivati	-0,19%
Totale	**100,00%**

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE era del 13%.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era del 12%.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La liquidità può essere stata detenuta come liquidità accessoria o a fini di bilanciamento del rischio. Il fondo può aver utilizzato derivati e altre tecniche per le finalità descritte nella sezione "Descrizioni dei fondi" del prospetto informativo. Questa categoria può anche aver incluso titoli per i quali non sono disponibili dati rilevanti.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento usata per selezionare gli investimenti al fine di rispettare ciascuna delle caratteristiche ambientali o sociali promosse da questo fondo sono stati monitorati e documentati su base continuativa.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Nordea 1 - European Cross Credit Fund

Identificativo della persona giuridica: 549300HQ4F0MHYF7TI45

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco **di attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

● ● ☐ **Sì**

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%

● ○ ☑ **No**

☑ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 54% di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo sociale

☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli indicatori di sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Le caratteristiche A/S di questo fondo includevano:

Investimenti sostenibili Benché non si sia impegnato a effettuare investimenti sostenibili, il fondo ha investito parzialmente in investimenti sostenibili, ossia in società ed emittenti coinvolti in attività che contribuiscono a un obiettivo ambientale o sociale come indicato nei 17 Obiettivi di sviluppo sostenibile (SDG) delle Nazioni Unite e/o nella tassonomia dell'UE, senza arrecare un danno significativo ad altri obiettivi ambientali o sociali.

Esclusioni settoriali e basate sul valore Al processo di costruzione del portafoglio sono stati applicati filtri di esclusione in modo da limitare gli investimenti in società ed emittenti con un'esposizione significativa ad alcune attività considerate nocive per l'ambiente o per la società in senso lato, ad esempio in società operanti nel settore del tabacco o in quello dei combustibili fossili.

La Politica di Nordea Asset Management sui combustibili fossili allineata all'accordo di Parigi, in base alla quale il fondo non ha investito in società con un'esposizione significativa ai combustibili fossili, salvo che in presenza di una strategia di transizione credibile.

Il fondo ha utilizzato un parametro di riferimento che non è allineato alle caratteristiche A/S del fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore di sostenibilità	Metrica	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	113 tCO2e / m€ investito	98,66%	76,02%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,22% coinvolti in violazioni	98,66%	83,22%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

...e rispetto ai periodi precedenti?

Indicatore di sostenibilità	Metrica	Periodo di riferimento	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	2022	113 tCO2e / m€ investito	98,66%	76,02%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	2022	0,22% coinvolti in violazioni	98,66%	83,22%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Poiché non sono disponibili rapporti relativi a periodi precedenti, questa sezione fornisce informazioni solo per il periodo di riferimento attuale.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il fondo ha in parte realizzato consistevano nel contribuire a uno o più degli SDG delle Nazioni Unite o, in alternativa, nel partecipare ad attività allineate alla tassonomia. Gli investimenti sostenibili hanno contribuito agli obiettivi attraverso gli investimenti del fondo in società che promuovono gli SDG delle Nazioni Unite o le attività allineate alla tassonomia, superando una soglia minima di allineamento dei ricavi agli SDG delle Nazioni Unite o alla tassonomia dell'UE.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Gli investimenti sostenibili sono stati analizzati per garantire che non arrecassero un danno significativo ad altri obiettivi sociali o ambientali (test DNSH, "Do no significant harm") secondo la definizione riportata dalla tassonomia dell'UE o in base a SDG adottati dalle Nazioni Unite.

  - ***In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?***

    Nordea Asset Management (NAM) ha sviluppato una metodologia quantitativa proprietaria che valuta l'impatto ambientale e sociale del proprio universo d'investimento (in particolare degli investimenti diretti) utilizzando molteplici indicatori dei principali effetti negativi ("PAI", Principal Adverse Impact) tratti dalla Tabella 1 e/o dalla Tabella 2 e/o dalla Tabella 3 dell'Allegato 1 degli RTS SFDR (lo "strumento PAI"). La metodologia ha utilizzato una gamma diversificata di fonti di dati per assicurare che le performance delle imprese beneficiarie degli investimenti fossero analizzate in modo appropriato. Gli indicatori PAI sono stati valutati nello strumento PAI di NAM e i risultati hanno rappresentato una parte significativa del test DNSH.

  - ***Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:***

    L'allineamento degli Investimenti sostenibili con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani è stato confermato nell'ambito del processo volto ad identificare gli investimenti sostenibili utilizzando lo strumento PAI di Nordea Asset Management.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Gli indicatori PAI specifici che sono stati presi in considerazione per questo fondo erano:

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Emissioni di GHG	Emissioni di GHG di ambito 1	54.810 tCO2e	98,66%	76,02%
		Emissioni di GHG di ambito 2	11.973 tCO2e	98,66%	76,02%
		Dal 1° gennaio 2023, emissioni di GHG di ambito 3	250.780 tCO2e	98,66%	76,02%
		Emissioni totali di GHG	66.782 tCO2e	98,66%	76,02%
	Impronta di carbonio	Impronta di carbonio	113 tCO2e / m€ investito	98,66%	76,02%
	Intensità di GHG delle imprese beneficiarie degli investimenti	Intensità di GHG delle imprese beneficiarie degli investimenti	183 tCO2e / m€ di fatturato realizzato	98,66%	77,71%
	Esposizione a imprese attive nel settore dei combustibili fossili	Quota di investimenti in imprese attive nel settore dei combustibili fossili	5,16% investimenti in combustibili fossili	98,66%	38,06%
	Quota di consumo e produzione di energia non rinnovabile	Quota di consumo di energia non rinnovabile e di produzione di energia non rinnovabile delle imprese beneficiarie degli investimenti da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile	81,37% consumo di energia non rinnovabile	98,66%	44,00%
			57,04% produzione di energia non rinnovabile	98,66%	4,93%

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Intensità di consumo energetico per settore ad alto impatto climatico	Agricoltura, silvicoltura e pesca (A)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Industria estrattiva (B)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Industria manifatturiera (C)	0,48 GWh / m€ di fatturato	12,78%	5,20%
		Fornitura di energia elettrica, gas, vapore e aria condizionata (D)	3,50 GWh / m€ di fatturato	4,26%	4,26%
		Approvvigionamento idrico, reti fognarie, attività di trattamento dei rifiuti e decontaminazione (E)	3,53 GWh / m€ di fatturato	1,70%	1,70%
		Edilizia (F)	0,00 GWh / m€ di fatturato	0,12%	0,00%
		Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli (G)	0,03 GWh / m€ di fatturato	1,73%	1,73%
		Trasporto e stoccaggio (H)	0,36 GWh / m€ di fatturato	3,70%	2,99%
		Attivi immobiliari (L)	0,00 GWh / m€ di fatturato	1,26%	0,00%
Biodiversità	Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Quota di investimenti in imprese beneficiarie degli investimenti che dispongono di siti o svolgono operazioni in aree sensibili sotto il profilo della biodiversità, o in aree adiacenti	2,58% con impatto negativo	98,66%	39,17%
Acqua	Emissioni in acqua	Tonnellate di emissioni in acqua generate dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,82 tonnellate / m€ investito	98,66%	2,54%
Rifiuti	Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	2,32 tonnellate / m€ investito	98,66%	50,51%

PROBLEMATICHE SOCIALI E CONCERNENTI IL PERSONALE, IL RISPETTO DEI DIRITTI UMANI E LE QUESTIONI RELATIVE ALLA LOTTA ALLA CORRUZIONE ATTIVA E PASSIVA

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Problematiche sociali e concernenti il personale	Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,22% involved in violations	98,66%	83,22%
	Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che non dispongono di politiche per monitorare la conformità ai principi del Global Compact delle Nazioni Unite o alle linee guida OCSE destinate alle imprese multinazionali, o ancora di meccanismi di trattamento dei reclami/ delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida dell'OCSE per le imprese multinazionali	0,00% without policies	98,66%	62,17%
	Divario retributivo di genere non corretto	Media del divario retributivo di genere non corretto nelle imprese beneficiarie degli investimenti	8,36% pay gap	98,66%	26,26%
	Diversità di genere nel consiglio	Rapporto medio donne/uomini tra i membri del consiglio delle imprese beneficiarie degli investimenti, espresso in percentuale di tutti i membri del consiglio	35,76% (female directors / total directors)	98,66%	66,97%
	Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)	Quota di investimenti nelle imprese beneficiarie di investimenti coinvolte nella fabbricazione o nella vendita di armi controverse	0,00% involvement	98,66%	81,22%

INDICATORI APPLICABILI AGLI INVESTIMENTI IN EMITTENTI SOVRANI E ORGANIZZAZIONI SOVRANAZIONALI

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Ambientali	Intensità di GHG per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	NA	NA	NA
Sociali	Paesi che beneficiano degli investimenti soggetti a violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	NA	NA	NA
			NA	NA	NA
Governance	Giurisdizioni fiscali non cooperative	Investimenti effettuati in giurisdizioni che figurano nell'elenco UE delle giurisdizioni non cooperative a fini fiscali	NA	NA	NA

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Quali sono stati i principali investimenti di questo prodotto finanziario?

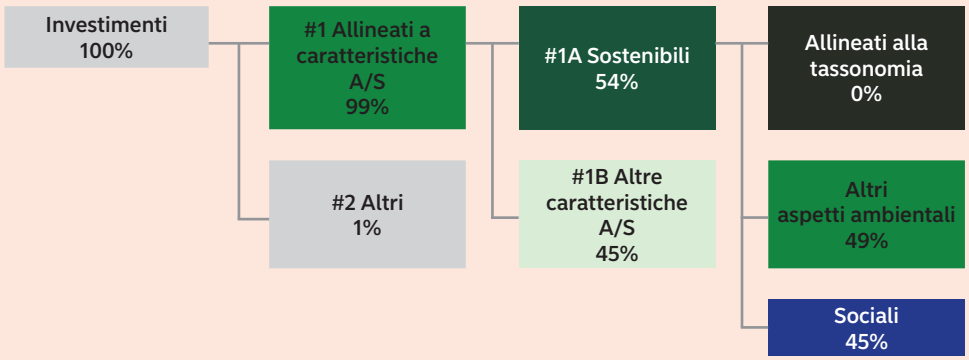
L'elenco comprende gli investimenti che hanno costituito **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:
1° gennaio 2022 -
31 dicembre 2022

Investimenti di maggiore entità	Settore	Attività	Paese
Lorca Telecom Bondco SA 4% 18-09-2027	Comunicazioni	1,79%	Spagna
Ardagh Packaging Finance PLC 2.125% 15-08-2026	Industria	1,78%	Irlanda
ProGroup AG 3% 31-03-2026	Diversi	1,78%	Germania
Techem Verwaltungsgesellscha 2% 15-07-2025	Consumi non ciclici	1,77%	Germania
Belden Inc 3.375% 15-07-2027	Industria	1,77%	Stati Uniti d'America (USA)
WMG Acquisition Corp 2.75% 15-07-2028	Consumi ciclici	1,77%	Stati Uniti d'America (USA)
SPIE SA 2.625% 18-06-2026	Industria	1,77%	Francia
PPF Telecom Group BV 3.25% 29-09-2027	Comunicazioni	1,75%	Paesi Bassi
EDP - Energias de Portu 1.700% MULTI 20-07-2080	Servizi di pubblica utilità	1,75%	Portogallo
Telefonica Europe BV 4.375% MULTI Perp FC2024	Comunicazioni	1,74%	Paesi Bassi
Rexel SA 2.125% 15-12-2028	Consumi ciclici	1,74%	Francia
Bellis Acquisition Co PLC 3.25% 16-02-2026	Consumi non ciclici	1,73%	Regno Unito
NGG Finance PLC 2.125% MULTI 05-09-2082	Servizi di pubblica utilità	1,73%	Regno Unito
Webuild SpA 3.875% 28-07-2026	Industria	1,70%	Italia
Goodyear Europe BV 2.75% 15-08-2028	Consumi ciclici	1,70%	Paesi Bassi

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria #1**B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Il prodotto include investimenti con obiettivi sia ambientali che sociali. Un singolo investimento può contribuire sia a un obiettivo ambientale che a un obiettivo sociale, il che si traduce in un'allocazione totale superiore al 100%. Non esiste una priorità per quanto riguarda gli obiettivi ambientali e sociali e la strategia non prevede un'allocazione specifica o una percentuale minima per queste categorie. Il processo d'investimento consente una combinazione degli obiettivi ambientali e sociali, conferendo al gestore degli investimenti la flessibilità di effettuare allocazioni in linea con tali obiettivi in base alla disponibilità e all'attrattiva delle opportunità d'investimento.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Attività
Consumi non ciclici	23,62%
Consumi ciclici	22,56%
Comunicazioni	21,69%
Industria	14,43%
Servizi di pubblica utilità	7,85%
Finanza	5,06%
Diversi	1,78%
Materiali di base	1,60%
Liquidità	1,38%
Contratti a termine su valute	0,03%
Totale	**100,00%**


sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE era del 49%.



Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era del 45%.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La liquidità può essere stata detenuta come liquidità accessoria o a fini di bilanciamento del rischio. Il fondo può aver utilizzato derivati e altre tecniche per le finalità descritte nella sezione "Descrizioni dei fondi" del prospetto informativo. Questa categoria può anche aver incluso titoli per i quali non sono disponibili dati rilevanti.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento usata per selezionare gli investimenti al fine di rispettare ciascuna delle caratteristiche ambientali o sociali promosse da questo fondo sono stati monitorati e documentati su base continuativa.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Nordea 1 - Stable Return Fund

Identificativo della persona giuridica: 549300J9YLZQT0W3Z531

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco **di attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

● ● ☐ **Sì**

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%

● ○ ☑ **No**

☑ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 63% di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo sociale

☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli indicatori di sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Le caratteristiche A/S di questo fondo includevano:

Investimenti sostenibili Benché non si sia impegnato a effettuare investimenti sostenibili, il fondo ha investito parzialmente in investimenti sostenibili, ossia in società ed emittenti coinvolti in attività che contribuiscono a un obiettivo ambientale o sociale come indicato nei 17 Obiettivi di sviluppo sostenibile (SDG) delle Nazioni Unite e/o nella tassonomia dell'UE, senza arrecare un danno significativo ad altri obiettivi ambientali o sociali.

Esclusioni settoriali e basate sul valore Al processo di costruzione del portafoglio sono stati applicati filtri di esclusione in modo da limitare gli investimenti in società ed emittenti con un'esposizione significativa ad alcune attività considerate nocive per l'ambiente o per la società in senso lato, ad esempio in società operanti nel settore del tabacco o in quello dei combustibili fossili.

La Politica di Nordea Asset Management sui combustibili fossili allineata all'accordo di Parigi, in base alla quale il fondo non ha investito in società con un'esposizione significativa ai combustibili fossili, salvo che in presenza di una strategia di transizione credibile.

Il fondo ha utilizzato un parametro di riferimento che non è allineato alle caratteristiche A/S del fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore di sostenibilità	Metrica	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	15 tCO2e / m€ investito	91,49%	91,10%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
		0,00% paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,01% coinvolti in violazioni	91,49%	90,99%
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	343,50 tCO2e / m€ di PIL detenuto	2,48%	2,48%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

...e rispetto ai periodi precedenti?

Indicatore di sostenibilità	Metrica	Periodo di riferimento	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	2022	15 tCO2e / m€ investito	91,49%	91,10%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	2022	0 paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
		2022	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	2022	0,01% coinvolti in violazioni	91,49%	90,99%
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	2022	343,50 tCO2e / m€ di PIL detenuto	2,48%	2,48%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Poiché non sono disponibili rapporti relativi a periodi precedenti, questa sezione fornisce informazioni solo per il periodo di riferimento attuale.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il fondo ha in parte realizzato consistevano nel contribuire a uno o più degli SDG delle Nazioni Unite o, in alternativa, nel partecipare ad attività allineate alla tassonomia. Gli investimenti sostenibili hanno contribuito agli obiettivi attraverso gli investimenti del fondo in società che promuovono gli SDG delle Nazioni Unite o le attività allineate alla tassonomia, superando una soglia minima di allineamento dei ricavi agli SDG delle Nazioni Unite o alla tassonomia dell'UE.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Gli investimenti sostenibili sono stati analizzati per garantire che non arrecassero un danno significativo ad altri obiettivi sociali o ambientali (test DNSH, "Do no significant harm") secondo la definizione riportata dalla tassonomia dell'UE o in base a SDG adottati dalle Nazioni Unite.

  - ***In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?***

    Nordea Asset Management (NAM) ha sviluppato una metodologia quantitativa proprietaria che valuta l'impatto ambientale e sociale del proprio universo d'investimento (in particolare degli investimenti diretti) utilizzando molteplici indicatori dei principali effetti negativi ("PAI", Principal Adverse Impact) tratti dalla Tabella 1 e/o dalla Tabella 2 e/o dalla Tabella 3 dell'Allegato 1 degli RTS SFDR (lo "strumento PAI"). La metodologia ha utilizzato una gamma diversificata di fonti di dati per assicurare che le performance delle imprese beneficiarie degli investimenti fossero analizzate in modo appropriato. Gli indicatori PAI sono stati valutati nello strumento PAI di NAM e i risultati hanno rappresentato una parte significativa del test DNSH.

  - ***Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:***

    L'allineamento degli Investimenti sostenibili con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani è stato confermato nell'ambito del processo volto ad identificare gli investimenti sostenibili utilizzando lo strumento PAI di Nordea Asset Management.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Gli indicatori PAI specifici che sono stati presi in considerazione per questo fondo erano:

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Emissioni di GHG	Emissioni di GHG di ambito 1	55.699 tCO2e	91,49%	91,10%
		Emissioni di GHG di ambito 2	35.416 tCO2e	91,49%	91,10%
		Dal 1° gennaio 2023, emissioni di GHG di ambito 3	722.719 tCO2e	91,49%	91,10%
		Emissioni totali di GHG	91.115 tCO2e	91,49%	91,10%
	Impronta di carbonio	Impronta di carbonio	15 tCO2e / m€ investito	91,49%	91,10%
	Intensità di GHG delle imprese beneficiarie degli investimenti	Intensità di GHG delle imprese beneficiarie degli investimenti	64 tCO2e / m€ di fatturato realizzato	91,49%	91,43%
	Esposizione a imprese attive nel settore dei combustibili fossili	Quota di investimenti in imprese attive nel settore dei combustibili fossili	1,37% investimenti in combustibili fossili	91,49%	84,87%
	Quota di consumo e produzione di energia non rinnovabile	Quota di consumo di energia non rinnovabile e di produzione di energia non rinnovabile delle imprese beneficiarie degli investimenti da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile	67,99% consumo di energia non rinnovabile	91,49%	79,37%
			68,20% produzione di energia non rinnovabile	91,49%	1,20%

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Intensità di consumo energetico per settore ad alto impatto climatico	Agricoltura, silvicoltura e pesca (A)	0,00 GWh / m€ di fatturato	0,00%	0,00%
		Industria estrattiva (B)	0,63 GWh / m€ di fatturato	0,04%	0,04%
		Industria manifatturiera (C)	0,27 GWh / m€ di fatturato	32,84%	31,67%
		Fornitura di energia elettrica, gas, vapore e aria condizionata (D)	3,61 GWh / m€ di fatturato	1,38%	1,28%
		Approvvigionamento idrico, reti fognarie, attività di trattamento dei rifiuti e decontaminazione (E)	0,67 GWh / m€ di fatturato	0,51%	0,51%
		Edilizia (F)	0,17 GWh / m€ di fatturato	1,29%	1,29%
		Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli (G)	1,81 GWh / m€ di fatturato	7,67%	7,37%
		Trasporto e stoccaggio (H)	0,19 GWh / m€ di fatturato	1,42%	1,42%
		Attivi immobiliari (L)	0,00 GWh / m€ di fatturato	0,00%	0,00%
Biodiversità	Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Quota di investimenti in imprese beneficiarie degli investimenti che dispongono di siti o svolgono operazioni in aree sensibili sotto il profilo della biodiversità, o in aree adiacenti	0,49% con impatto negativo	91,49%	86,48%
Acqua	Emissioni in acqua	Tonnellate di emissioni in acqua generate dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,02 tonnellate / m€ investito	91,49%	3,38%
Rifiuti	Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,31 tonnellate / m€ investito	91,49%	38,52%

PROBLEMATICHE SOCIALI E CONCERNENTI IL PERSONALE, IL RISPETTO DEI DIRITTI UMANI E LE QUESTIONI RELATIVE ALLA LOTTA ALLA CORRUZIONE ATTIVA E PASSIVA

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Problematiche sociali e concernenti il personale	Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	0,01% coinvolti in violazioni	91,49%	90,99%
	Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che non dispongono di politiche per monitorare la conformità ai principi del Global Compact delle Nazioni Unite o alle linee guida OCSE destinate alle imprese multinazionali, o ancora di meccanismi di trattamento dei reclami/ delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida dell'OCSE per le imprese multinazionali	0,08% senza politiche	91,49%	79,21%
	Divario retributivo di genere non corretto	Media del divario retributivo di genere non corretto nelle imprese beneficiarie degli investimenti	8,75% divario retributivo	91,49%	32,99%
	Diversità di genere nel consiglio	Rapporto medio donne/uomini tra i membri del consiglio delle imprese beneficiarie degli investimenti, espresso in percentuale di tutti i membri del consiglio	34,84% (amministratori donna / totale amministratori)	91,49%	90,40%
	Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)	Quota di investimenti nelle imprese beneficiarie di investimenti coinvolte nella fabbricazione o nella vendita di armi controverse	0,00% coinvolgimento	91,49%	89,91%

INDICATORI APPLICABILI AGLI INVESTIMENTI IN EMITTENTI SOVRANI E ORGANIZZAZIONI SOVRANAZIONALI

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Ambientali	Intensità di GHG per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	343,50 tCO2e / m€ di PIL detenuto	2,48%	2,48%
Sociali	Paesi che beneficiano degli investimenti soggetti a violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
			0,00% paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%
Governance	Giurisdizioni fiscali non cooperative	Investimenti effettuati in giurisdizioni che figurano nell'elenco UE delle giurisdizioni non cooperative a fini fiscali	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	2,48%	2,48%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.



Quali sono stati i principali investimenti di questo prodotto finanziario?

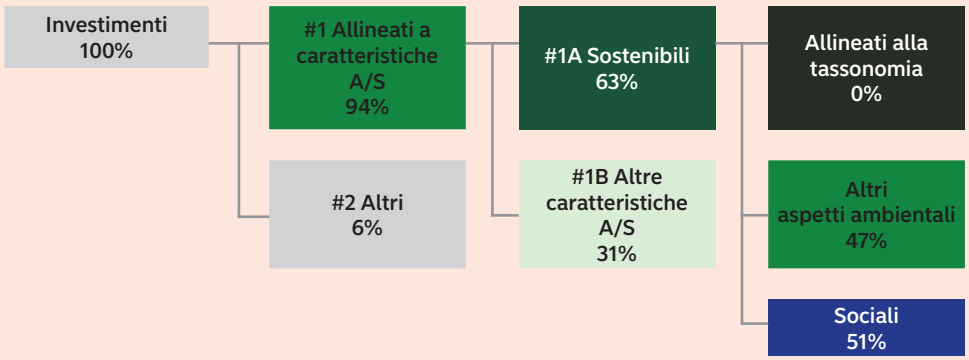
L'elenco comprende gli investimenti che hanno costituito **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:
1° gennaio 2022 -
31 dicembre 2022

Investimenti di maggiore entità	Settore	Attività	Paese
Alphabet	Comunicazioni	3,73%	Stati Uniti d'America (USA)
Coca-Cola	Consumi non ciclici	2,81%	Stati Uniti d'America (USA)
Johnson & Johnson	Consumi non ciclici	2,80%	Stati Uniti d'America (USA)
Microsoft	Tecnologia	2,43%	Stati Uniti d'America (USA)
Novo Nordisk B	Consumi non ciclici	2,39%	Danimarca
Cigna	Consumi non ciclici	1,86%	Stati Uniti d'America (USA)
Bristol-Myers Squibb	Consumi non ciclici	1,79%	Stati Uniti d'America (USA)
eBay	Comunicazioni	1,64%	Stati Uniti d'America (USA)
PepsiCo	Consumi non ciclici	1,63%	Stati Uniti d'America (USA)
Elevance Health	Consumi non ciclici	1,62%	Stati Uniti d'America (USA)
AutoZone	Consumi ciclici	1,55%	Stati Uniti d'America (USA)
Cisco Systems	Comunicazioni	1,51%	Stati Uniti d'America (USA)
Mondelez International	Consumi non ciclici	1,48%	Stati Uniti d'America (USA)
Comcast	Comunicazioni	1,47%	Stati Uniti d'America (USA)
Visa	Finanza	1,46%	Stati Uniti d'America (USA)

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria #1**B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Il prodotto include investimenti con obiettivi sia ambientali che sociali. Un singolo investimento può contribuire sia a un obiettivo ambientale che a un obiettivo sociale, il che si traduce in un'allocazione totale superiore al 100%. Non esiste una priorità per quanto riguarda gli obiettivi ambientali e sociali e la strategia non prevede un'allocazione specifica o una percentuale minima per queste categorie. Il processo d'investimento consente una combinazione degli obiettivi ambientali e sociali, conferendo al gestore degli investimenti la flessibilità di effettuare allocazioni in linea con tali obiettivi in base alla disponibilità e all'attrattiva delle opportunità d'investimento.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Attività
Consumi non ciclici	32,45%
Finanza	15,68%
Tecnologia	13,65%
Comunicazioni	12,98%
Consumi ciclici	8,34%
Liquidità	6,75%
Industria	4,89%
Titoli di Stato	3,36%
Servizi di pubblica utilità	1,56%
Materiali di base	1,07%
Energia	0,26%
Derivati	0,10%
Contratti a termine su valute	-1,09%
Totale	**100,00%**

 sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE era del 47%.



Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era del 51%.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La liquidità può essere stata detenuta come liquidità accessoria o a fini di bilanciamento del rischio. Il fondo può aver utilizzato derivati e altre tecniche per le finalità descritte nella sezione "Descrizioni dei fondi" del prospetto informativo. Questa categoria può anche aver incluso titoli per i quali non sono disponibili dati rilevanti.



Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento usata per selezionare gli investimenti al fine di rispettare ciascuna delle caratteristiche ambientali o sociali promosse da questo fondo sono stati monitorati e documentati su base continuativa.

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Nordea 1 - US Total Return Bond Fund

Identificativo della persona giuridica: 549300MO84XW9D10JW85

Caratteristiche ambientali e/o sociali

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco **di attività economiche ecosostenibili.** Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

● ● ☐ **Sì**

☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** ____%

☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** ___%

● ○ ☑ **No**

☑ Ha **promosso caratteristiche ambientali/sociali (A/S)** e, pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 22% di investimenti sostenibili

☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE

☑ con un obiettivo sociale

☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**



In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Gli indicatori di sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali o sociali promosse del prodotto finanziario.

Le caratteristiche A/S di questo fondo includevano:

Investimenti sostenibili Benché non si sia impegnato a effettuare investimenti sostenibili, il fondo ha investito parzialmente in investimenti sostenibili, ossia in società ed emittenti coinvolti in attività che contribuiscono a un obiettivo ambientale o sociale come indicato nei 17 Obiettivi di sviluppo sostenibile (SDG) delle Nazioni Unite e/o nella tassonomia dell'UE, senza arrecare un danno significativo ad altri obiettivi ambientali o sociali.

Esclusioni settoriali e basate sul valore Al processo di costruzione del portafoglio sono stati applicati filtri di esclusione in modo da limitare gli investimenti in società ed emittenti con un'esposizione significativa ad alcune attività considerate nocive per l'ambiente o per la società in senso lato, ad esempio in società operanti nel settore del tabacco o in quello dei combustibili fossili.

La Politica di Nordea Asset Management sui combustibili fossili allineata all'accordo di Parigi, in base alla quale il fondo non ha investito in società con un'esposizione significativa ai combustibili fossili, salvo che in presenza di una strategia di transizione credibile.

Il fondo ha utilizzato un parametro di riferimento che non è allineato alle caratteristiche A/S del fondo.

Qual è stata la prestazione degli indicatori di sostenibilità?

Indicatore di sostenibilità	Metrica	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	0 tCO2e / m€ investito	86,52%	38,26%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
		0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	NA	NA	NA
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	343,52 tCO2e / m€ di PIL detenuto	11,73%	11,73%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

...e rispetto ai periodi precedenti?

Indicatore di sostenibilità	Metrica	Periodo di riferimento	Valore metrica	Idoneità	Copertura
Impronta di carbonio	Impronta di carbonio	2022	0 tCO2e / m€ investito	86,52%	38,26%
Violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	2022	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
		2022	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
Violazioni dei principi del Global Compact delle Nazioni Unite	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	2022	NA	NA	NA
Intensità delle emissioni di gas a effetto serra per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	2022	343,52 tCO2e / m€ di PIL detenuto	11,73%	11,73%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Poiché non sono disponibili rapporti relativi a periodi precedenti, questa sezione fornisce informazioni solo per il periodo di riferimento attuale.

Quali erano gli obiettivi degli investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?

Gli obiettivi degli investimenti sostenibili che il fondo ha in parte realizzato consistevano nel contribuire a uno o più degli SDG delle Nazioni Unite o, in alternativa, nel partecipare ad attività allineate alla tassonomia. Gli investimenti sostenibili hanno contribuito agli obiettivi attraverso gli investimenti del fondo in società che promuovono gli SDG delle Nazioni Unite o le attività allineate alla tassonomia, superando una soglia minima di allineamento dei ricavi agli SDG delle Nazioni Unite o alla tassonomia dell'UE.

I principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

- ***In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?***

  Gli investimenti sostenibili sono stati analizzati per garantire che non arrecassero un danno significativo ad altri obiettivi sociali o ambientali (test DNSH, "Do no significant harm") secondo la definizione riportata dalla tassonomia dell'UE o in base a SDG adottati dalle Nazioni Unite.

  - ***In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?***

    Nordea Asset Management (NAM) ha sviluppato una metodologia quantitativa proprietaria che valuta l'impatto ambientale e sociale del proprio universo d'investimento (in particolare degli investimenti diretti) utilizzando molteplici indicatori dei principali effetti negativi ("PAI", Principal Adverse Impact) tratti dalla Tabella 1 e/o dalla Tabella 2 e/o dalla Tabella 3 dell'Allegato 1 degli RTS SFDR (lo "strumento PAI"). La metodologia ha utilizzato una gamma diversificata di fonti di dati per assicurare che le performance delle imprese beneficiarie degli investimenti fossero analizzate in modo appropriato. Gli indicatori PAI sono stati valutati nello strumento PAI di NAM e i risultati hanno rappresentato una parte significativa del test DNSH.

  - ***Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:***

    L'allineamento degli Investimenti sostenibili con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani è stato confermato nell'ambito del processo volto ad identificare gli investimenti sostenibili utilizzando lo strumento PAI di Nordea Asset Management.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'UE.

Il principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'UE per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'UE per le attività economiche ecosostenibili.

Neppure eventuali altri investimenti sostenibili devono arrecare un danno significativo ad obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Gli indicatori PAI specifici che sono stati presi in considerazione per questo fondo erano:

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Emissioni di GHG	Emissioni di GHG di ambito 1	1 tCO2e	86,52%	38,26%
		Emissioni di GHG di ambito 2	3 tCO2e	86,52%	38,26%
		Dal 1° gennaio 2023, emissioni di GHG di ambito 3	2.482 tCO2e	86,52%	38,26%
		Emissioni totali di GHG	4 tCO2e	86,52%	38,26%
	Impronta di carbonio	Impronta di carbonio	0 tCO2e / m€ investito	86,52%	38,26%
	Intensità di GHG delle imprese beneficiarie degli investimenti	Intensità di GHG delle imprese beneficiarie degli investimenti	14 tCO2e / m€ di fatturato realizzato	86,52%	42,46%
	Esposizione a imprese attive nel settore dei combustibili fossili	Quota di investimenti in imprese attive nel settore dei combustibili fossili	0,00% investimenti in combustibili fossili	86,52%	32,37%
	Quota di consumo e produzione di energia non rinnovabile	Quota di consumo di energia non rinnovabile e di produzione di energia non rinnovabile delle imprese beneficiarie degli investimenti da fonti di energia non rinnovabile rispetto a fonti di energia rinnovabile	31,62% consumo di energia non rinnovabile	86,52%	19,10%
			NA	NA	NA

CLIMA E ALTRI INDICATORI CONNESSI ALL'AMBIENTE

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Emissioni di gas a effetto serra (GHG)	Intensità di consumo energetico per settore ad alto impatto climatico	Agricoltura, silvicoltura e pesca (A)	NA	NA	NA
		Industria estrattiva (B)	NA	NA	NA
		Industria manifatturiera (C)	NA	NA	NA
		Fornitura di energia elettrica, gas, vapore e aria condizionata (D)	NA	NA	NA
		Approvvigionamento idrico, reti fognarie, attività di trattamento dei rifiuti e decontaminazione (E)	NA	NA	NA
		Edilizia (F)	NA	NA	NA
		Commercio all'ingrosso e al dettaglio; riparazione di autoveicoli e motocicli (G)	NA	NA	NA
		Trasporto e stoccaggio (H)	NA	NA	NA
		Attivi immobiliari (L)	NA	NA	NA
Biodiversità	Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Quota di investimenti in imprese beneficiarie degli investimenti che dispongono di siti o svolgono operazioni in aree sensibili sotto il profilo della biodiversità, o in aree adiacenti	0,00% con impatto negativo	86,52%	32,37%
Acqua	Emissioni in acqua	Tonnellate di emissioni in acqua generate dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	NA	NA	NA
Rifiuti	Rifiuti pericolosi	Tonnellate di rifiuti pericolosi generati dalle imprese beneficiarie degli investimenti per milione di EUR investito (valore espresso come media ponderata)	0,00 tonnellate / m€ investito	86,52%	10,84%

PROBLEMATICHE SOCIALI E CONCERNENTI IL PERSONALE, IL RISPETTO DEI DIRITTI UMANI E LE QUESTIONI RELATIVE ALLA LOTTA ALLA CORRUZIONE ATTIVA E PASSIVA

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Problematiche sociali e concernenti il personale	Violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che sono state coinvolte in violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida OCSE destinate alle imprese multinazionali	NA	NA	NA
	Mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Quota di investimenti nelle imprese beneficiarie degli investimenti che non dispongono di politiche per monitorare la conformità ai principi del Global Compact delle Nazioni Unite o alle linee guida OCSE destinate alle imprese multinazionali, o ancora di meccanismi di trattamento dei reclami/ delle denunce di violazioni dei principi del Global Compact delle Nazioni Unite o delle linee guida dell'OCSE per le imprese multinazionali	0,00% senza politiche	86,52%	57,90%
	Divario retributivo di genere non corretto	Media del divario retributivo di genere non corretto nelle imprese beneficiarie degli investimenti	20,32% divario retributivo	86,52%	10,30%
	Diversità di genere nel consiglio	Rapporto medio donne/uomini tra i membri del consiglio delle imprese beneficiarie degli investimenti, espresso in percentuale di tutti i membri del consiglio	NA	NA	NA
	Esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche)	Quota di investimenti nelle imprese beneficiarie di investimenti coinvolte nella fabbricazione o nella vendita di armi controverse	NA	NA	NA

INDICATORI APPLICABILI AGLI INVESTIMENTI IN EMITTENTI SOVRANI E ORGANIZZAZIONI SOVRANAZIONALI

Indicatore degli effetti negativi sulla sostenibilità		Metrica	Valore metrica	Idoneità	Copertura
Ambientali	Intensità di GHG per gli emittenti sovrani	Intensità di GHG dei paesi che beneficiano degli investimenti	343,52 tCO2e / m€ di PIL detenuto	11,73%	11,73%
Sociali	Paesi che beneficiano degli investimenti soggetti a violazioni sociali	Numero di paesi che beneficiano degli investimenti e sono soggetti a violazioni sociali (numero assoluto e numero relativo divisi per tutti i paesi che beneficiano degli investimenti), ai sensi dei trattati e delle convenzioni internazionali, dei principi delle Nazioni Unite e, se del caso, della normativa nazionale	0 paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
			0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%
Governance	Giurisdizioni fiscali non cooperative	Investimenti effettuati in giurisdizioni che figurano nell'elenco UE delle giurisdizioni non cooperative a fini fiscali	0,00% paesi che beneficiano degli investimenti soggetti a violazioni	11,73%	11,73%

Idoneità: La percentuale delle attività del prodotto finanziario (rispetto al NAV) che rientra nell'ambito di applicazione dell'indicatore.

Copertura: La percentuale delle attività del prodotto finanziario (rispetto al NAV) per cui sono disponibili dati per presentare l'indicatore.

Quali sono stati i principali investimenti di questo prodotto finanziario?

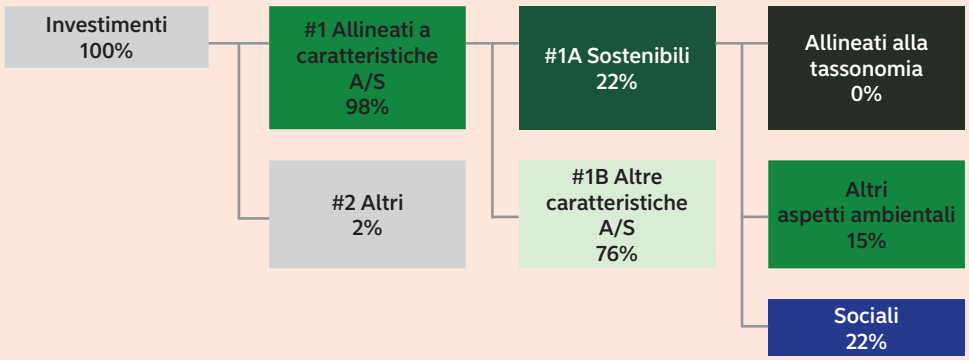
L'elenco comprende gli investimenti che hanno costituito **la quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:
1° gennaio 2022 -
31 dicembre 2022

Investimenti di maggiore entità	Settore	Attività	Paese
United States Treasury Note/ 2.375% 15-05-2051	Governo	4,09%	Stati Uniti d'America (USA)
Freddie Mac REMICS 2.5% 15-09-2044	Finanza	3,92%	Stati Uniti d'America (USA)
Freddie Mac REMICS 3% 15-09-2044	Finanza	3,69%	Stati Uniti d'America (USA)
United States Treasury Note/ 3% 15-08-2052	Governo	2,97%	Stati Uniti d'America (USA)
Fannie Mae REMICS 2.5% 25-04-2034	Finanza	2,73%	Stati Uniti d'America (USA)
Freddie Mac REMICS 3% 15-07-2043	Finanza	2,22%	Stati Uniti d'America (USA)
Freddie Mac Pool 2% 01-11-2050	Finanza	2,09%	Stati Uniti d'America (USA)
Fannie Mae Pool 1.895% 01-05-2030	Finanza	1,87%	Stati Uniti d'America (USA)
VENTR 2014-19A ARR	Finanza	1,73%	Isole Cayman
Fannie Mae Pool 3.5% 01-08-2045	Finanza	1,69%	Stati Uniti d'America (USA)
Freddie Mac Gold Pool 3.5% 01-02-2046	Finanza	1,51%	Stati Uniti d'America (USA)
Fannie Mae Pool 3.79% 01-01-2029	Finanza	1,40%	Stati Uniti d'America (USA)
Fannie Mae Pool 3% 01-03-2053	Finanza	1,33%	Stati Uniti d'America (USA)
WELF 2018-3A A1A	Finanza	1,24%	Isole Cayman
Shenton Aircraft Investment 4.75% 15-10-2042	Finanza	1,23%	Isole Cayman

Qual è stata la quota degli investimenti in materia di sostenibilità?

L'allocazione degli attivi descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



#1 Allineati a caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati alle caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati a caratteristiche A/S** comprende:

- la sottocategoria **#1A Sostenibili,** che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria #1**B Altre caratteristiche A/S,** che contempla gli investimenti allineati alle caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Il prodotto include investimenti con obiettivi sia ambientali che sociali. Un singolo investimento può contribuire sia a un obiettivo ambientale che a un obiettivo sociale, il che si traduce in un'allocazione totale superiore al 100%. Non esiste una priorità per quanto riguarda gli obiettivi ambientali e sociali e la strategia non prevede un'allocazione specifica o una percentuale minima per queste categorie. Il processo d'investimento consente una combinazione degli obiettivi ambientali e sociali, conferendo al gestore degli investimenti la flessibilità di effettuare allocazioni in linea con tali obiettivi in base alla disponibilità e all'attrattiva delle opportunità d'investimento.

In quali settori economici sono stati effettuati gli investimenti?

Settore	Attività
Titoli ipotecari	76,73%
Titoli di Stato	11,32%
Asset-backed securities	9,34%
Liquidità	2,19%
Materiali di base	0,26%
Consumi ciclici	0,17%
Totale	**100,00%**

sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.

Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

La quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE era del 15%.

Qual era la quota di investimenti socialmente sostenibili?

La quota di investimenti socialmente sostenibili era del 22%.

Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La liquidità può essere stata detenuta come liquidità accessoria o a fini di bilanciamento del rischio. Il fondo può aver utilizzato derivati e altre tecniche per le finalità descritte nella sezione "Descrizioni dei fondi" del prospetto informativo. Questa categoria può anche aver incluso titoli per i quali non sono disponibili dati rilevanti.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Gli elementi vincolanti della strategia di investimento usata per selezionare gli investimenti al fine di rispettare ciascuna delle caratteristiche ambientali o sociali promosse da questo fondo sono stati monitorati e documentati su base continuativa.

01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Digital**

Legal entity identifier: **549300JWHWRPWRFUMF97**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **40.17%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the reference index. The MSCI AC World index was used to measure the positive tilt; however, no reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	4.15
Weapons	0.05	0.99
Other controversial activities	0.00	1.02
Not applicable:	0.88	0.00
Not covered:	0.04	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 36 general assembly meetings out of 36 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 69.44% of meetings.

Out of 361 management resolutions, we voted against management on 45 items (12.47%) and abstained on 24 items (6.65%).

We supported 50 (69.44%) shareholder resolutions out of 72 proposals.

In respect to Environmental and/or Social issues we voted for 0 out of 0 management resolutions and for 43 out of 56 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 13 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

- **...and compared to previous periods?**

  This question will be addressed in future annual reports due to lack of a track record.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

  The fund did not commit to a minimum proportion of sustainable investments.

  However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

  Environmental

  - climate change mitigation or adaptation
  - sustainable use and protection of water and marine resources
  - transition to a circular economy
  - pollution prevention and control, or
  - protection and restoration of biodiversity and ecosystems

  Social

  - inclusive and sustainable communities
  - adequate living standards and well-being for end users, or
  - decent work

  Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

  To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

  (i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

  (ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

  Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
META PLATFORMS INC-CLASS A	Communication Services	6.3	United States
ALPHABET INC-CL A	Communication Services	5.3	United States
MICROSOFT CORP	Information Technology	5.1	United States
AMAZON.COM INC	Consumer discretionary	4.7	United States
ADOBE INC	Information Technology	3.9	United States
BOOKING HOLDINGS INC	Consumer Discretionary	3.8	United States
INTUIT INC	Information Technology	3.7	United States
MERCADOLIBRE INC	Consumer Discretionary	3.7	Uruguay
NETFLIX INC	Communication Services	3.4	United States
DEUTSCHE TELEKOM AG-REG	Communication Services	3.0	Germany
TENCENT HOLDINGS LTD	Communication Services	2.9	China
SERVICENOW INC	Information Technology	2.9	United States
ALIBABA GROUP HOLDING LTD	Consumer Discretionary	2.9	China

Source: Pictet Asset Management, GICS/MSCI.

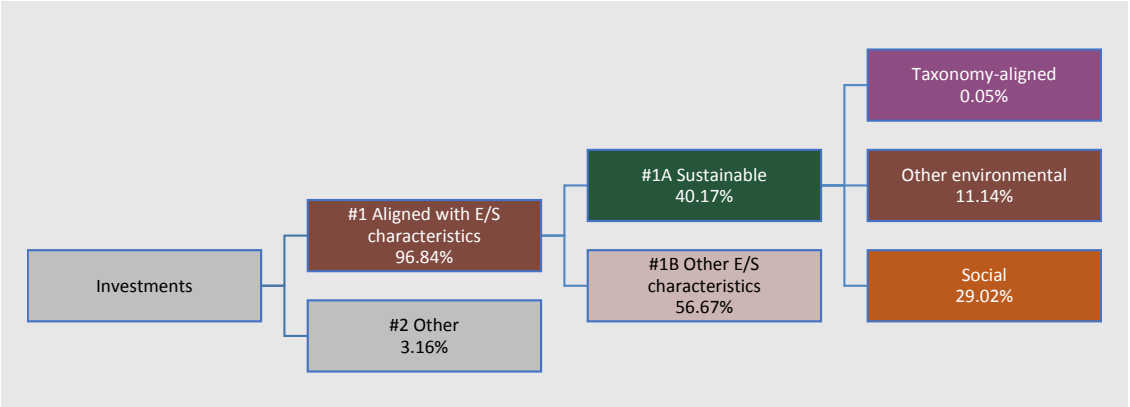
What was the proportion of sustainability-related investments?

40.17%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 96.84% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 3.16% invested in Other (#2 Other). 40.17% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

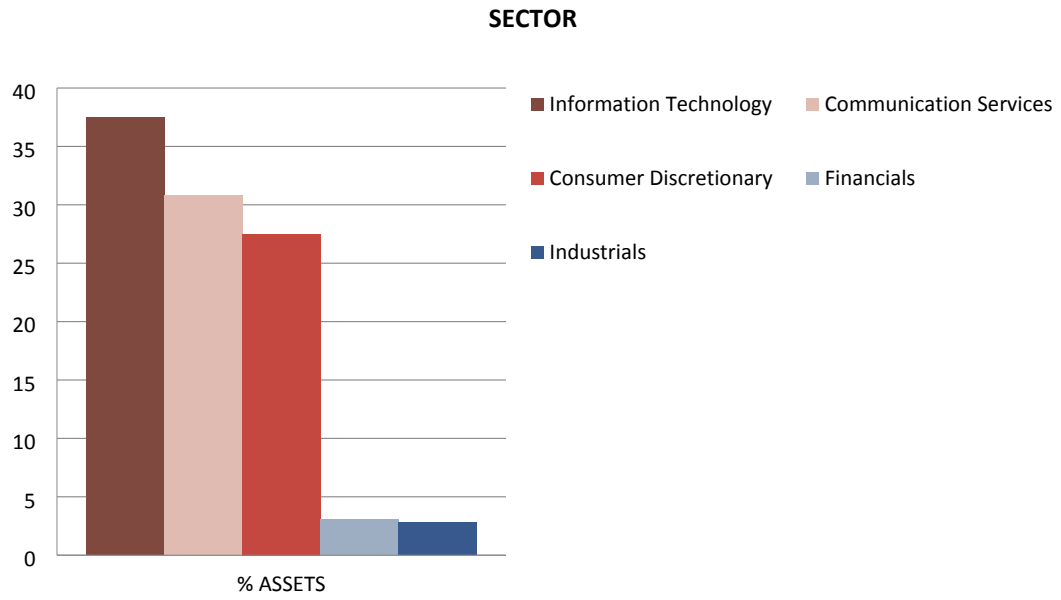
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

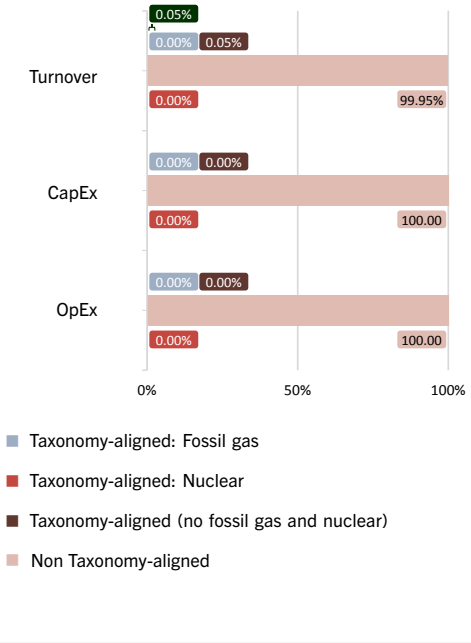
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

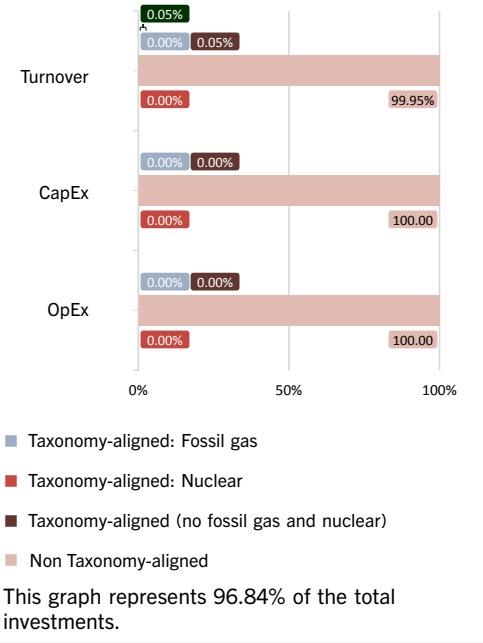
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 96.84% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

11.14%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

29.02%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 13 companies as of 30.09.2023.

How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Emerging Local Currency Debt**

Legal entity identifier: **549300YGHOSBCB47SV89**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **5.42%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Best-in-class / best effort:

The fund invested in securities of issuers with low and/or decreasing sustainability risks while avoiding those with high and/or increasing sustainability risk, reducing the investment universe by at least 20%. The investment universe is composed of sovereign and corporate bonds from emerging countries.

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Labelled bonds:

The fund partially invested in environmental and/or social labelled bonds.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

- Active ownership:

The fund engaged with selected sovereigns on ESG topics over the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

5.42%

Additional information on specific environmental and/or social objectives will be available in next year's report.

- **Exposure to green and/or social labelled bond**

During the reference period, the fund had 5.42% exposure to labelled bonds.

Labelled bonds include environmental, social and sustainability bonds. Classification of labelled bonds is provided by the bond issuer and may not reflect our internal view

- **Reduction of the investment universe based on ESG factors**

The fund reduced its investment universe by removing at least 20% of issuers with the highest sustainability risks and/or principle adverse impacts on society or the environment.

Sustainability risks are ESG related risk or conditions that could cause a material negative impact on the value of investments if they were to occur. Sustainability risks included but were not limited to the following: climate transition risk, climate physical risk, environmental risk, social risk, governance risk. Periodic reviews and risk controls are in place to monitor implementation.

Principal adverse impacts are negative, material, or likely to be material effects on sustainability factors that are caused, compounded by, or directly linked to investment decisions and advices. Such principle adverse impacts included among others, GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/ radioactive waste, social & employee matters and corruption & bribery.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/ radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

The fund mainly invests in government bonds during the reference period. In case of investments in non-sovereign bonds and in line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment Policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	0.00
Weapons	0.00	0.00
Other controversial activities	0.00	0.00
Not applicable:	98.67	100.00
Not covered:	0.03	0.00

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Engagement**

The fund engaged with 6 sovereigns on ESG topics (data as of 30.09.2023).

Source: Pictet Asset Management.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Pictet Asset Management used a proprietary reference frameworks as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions and collaborative institutional investor initiatives.

(iii) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons or (iii) countries subject to international sanctions see also detailed information on exclusions in Pictet Asset Management's responsible investment policy.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
BRAZIL-LTN ZERO% 01.01.2024 Uns	Sovereign	2.7	Brazil
INDONESIA GOV'T 8.375% 15.03.2034 Uns	Sovereign	2.4	Indonesia
REP SOUTH AFRICA 10.5% 21.12.2026 Sr	Sovereign	1.9	South Africa
MEXICAN BONOS 8.5% 31.05.2029 Sr	Sovereign	1.8	Mexico
BRAZIL NTN-F 10% 01.01.2025 Uns	Sovereign	1.7	Brazil

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
CHINA GOVT BOND 3.02% 27.05.2031 Uns BC	Sovereign	1.6	China
MALAYSIA GOVT 3.733% 15.06.2028 Sr	Sovereign	1.6	Malaysia
MALAYSIA GOVT 3.955% 15.09.2025 Sr	Sovereign	1.5	Malaysia
MALAYSIA GOVT 3.899% 16.11.2027 Sr	Sovereign	1.4	Malaysia
MEXICAN BONOS 7.5% 03.06.2027 Sr	Sovereign	1.3	Mexico
REP SOUTH AFRICA 8% 31.01.2030 Sr	Sovereign	1.3	South Africa
BRAZIL-LTN ZERO% 01.01.2026 Uns	Sovereign	1.3	Brazil
INDONESIA GOV'T 10% 15.02.2028 Uns	Sovereign	1.3	Indonesia
INDONESIA GOV'T 6.375% 15.08.2028 Uns	Sovereign	1.3	Indonesia
INDONESIA GOV'T 8.25% 15.05.2029 Uns	Sovereign	1.3	Indonesia

Source: Pictet Asset Management, Merrill Lynch.

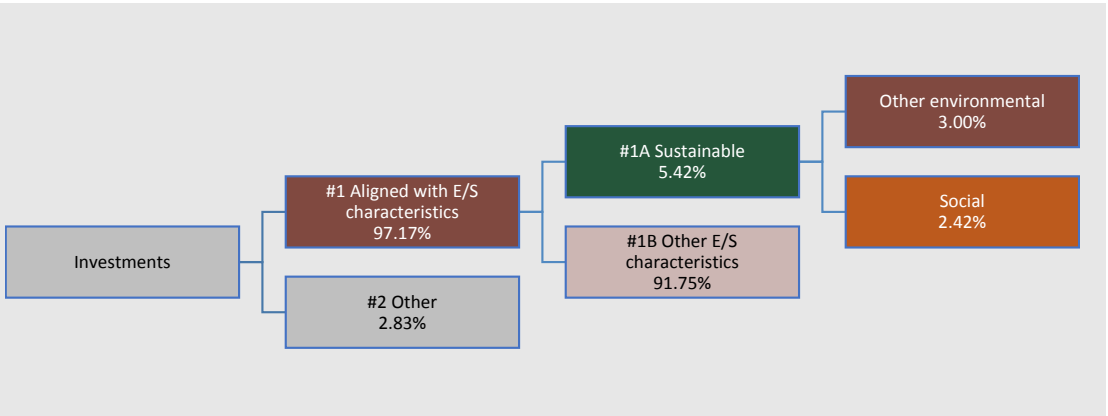
What was the proportion of sustainability-related investments?

5.42%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 97.17% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 2.83% invested in Other (#2 Other). 5.42% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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 category **#1 Aligned with E/S characteristics** covers:
- 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.

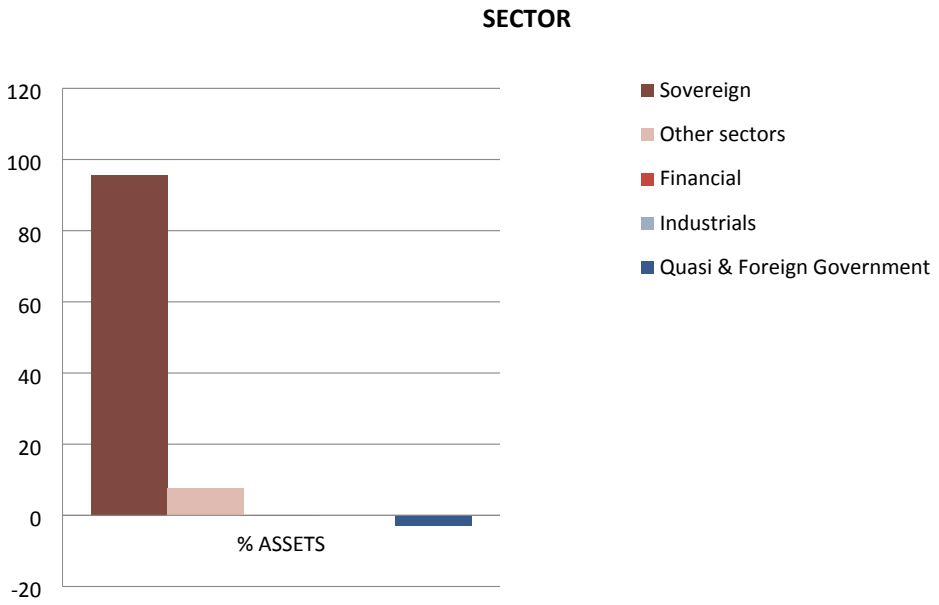
Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and

services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

- **In which economic sectors were the investments made?**



Source: Pictet Asset Management, Merrill Lynch.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy**[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

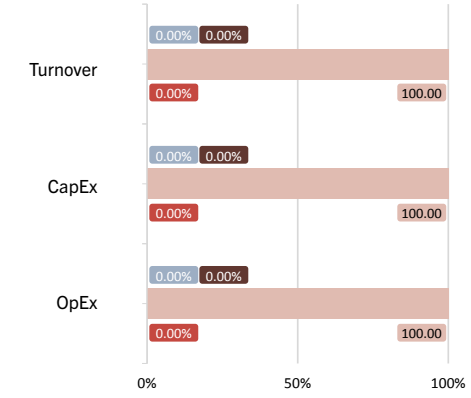
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

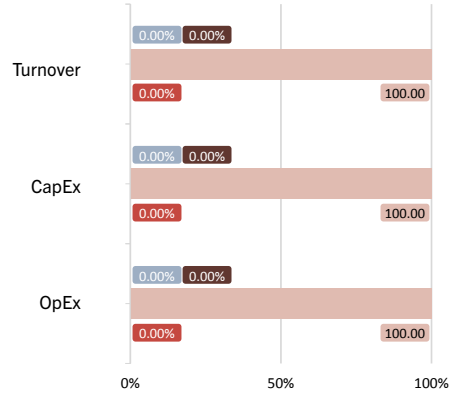
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 0% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  Not applicable.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

3.00%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

2.42%

What investments were included under "other", what was their purpose and were there any

minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
- are involved with nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons
- derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
- severely violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- exclusions of countries subject to international sanctions
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

The fund engaged with 6 sovereigns on ESG topics (data as 30.09.2023).



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Disclaimers

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - EUR Short Term High Yield**

Legal entity identifier: **5493001BLDF0NBC83W95**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **25.31**% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the investment index. The ICE BofA Euro High Yield Ex Financial BB-B 1-3 Years Constrained index was used to measure the positive tilt; however, no reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil Sands Extraction	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Shale Energy Extraction	>25%
Off-shore Arctic Oil & Gas Exploration	>10%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Tobacco Products Production	>10%
Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes
Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

- Active ownership:

The fund engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.45	3.21
Weapons	0.10	1.09
Other controversial activities	0.05	2.17
Not applicable:	1.38	0.00
Not covered:	21.61	12.58

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Engagement**

The fund engaged with 7 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund did not commit to a minimum proportion of sustainable investments.

However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities

- adequate living standards and well-being for end users, or
- decent work

Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organization, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iii) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
ZF FINANCE 3% 21.09.2025 'EMTN' Sr	Financial	1.5	Germany
CROWN EUROPEAN 3.375% 15.05.2025 'REGS' Sr	Industrials	1.2	France
SOFTBANK GRP COR 4.75% 19.09.2024 Sr	Industrials	1.1	Japan
EIRCOM FINANCE 3.5% 15.05.2026 Sec	Financial	1.0	Ireland
RCS & RDS SA 2.5% 05.02.2025 'REGS' 1st	Industrials	1.0	Romania
MATTERHORN TELE 3.125% 15.09.2026 'REGS' Sec	Industrials	1.0	Luxembourg
FORD MOTOR CRED 3.25% 15.09.2025 'EMTN' Sr	Financial	0.9	United States
VOLVO CAR AB 2% 24.01.2025 'EMTN' Sr	Industrials	0.9	Sweden
NEXI 1.625% 30.04.2026 Sr	Financial	0.9	Italy
PHOENIX PIB DUTC 2.375% 05.08.2025 Sr	Industrials	0.8	Netherlands
TECHEM VERWALTUN 2% 15.07.2025 'REGS' 1st	Industrials	0.8	Germany
PLT VII FINANCE 4.625% 05.01.2026 'REGS' Sec	Industrials	0.8	Luxembourg
IQVIA INC 1.75% 15.03.2026 'REGS' Sr	Industrials	0.8	United States
ROSSINI SARL 6.75% 30.10.2025 'REGS' 1st	Industrials	0.8	Luxembourg
PARTS EUROPE SA 6.5% 16.07.2025 'REGS' 1st	Industrials	0.8	France

Source: Pictet Asset Management, Merrill Lynch.

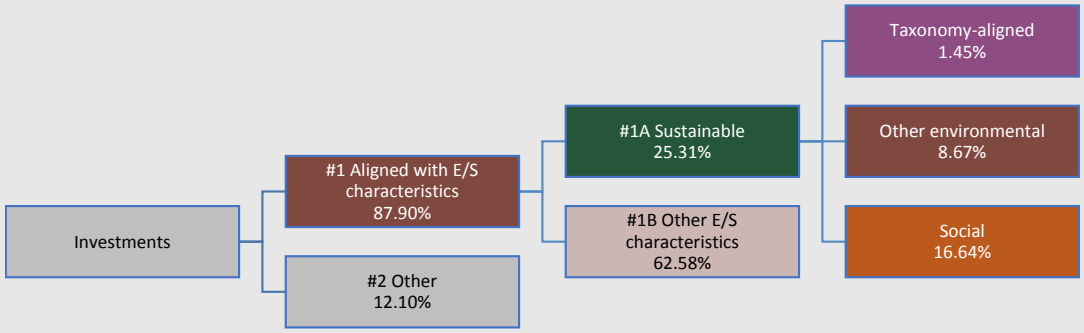
What was the proportion of sustainability-related investments?

25.31%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 87.90% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 12.10% invested in Other (#2 Other). 25.31% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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 category **#1 Aligned with E/S characteristics** covers:
- 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.

Notes:

- "#1A Sustainable", “Other Environmental” and “Social” investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, Merrill Lynch.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

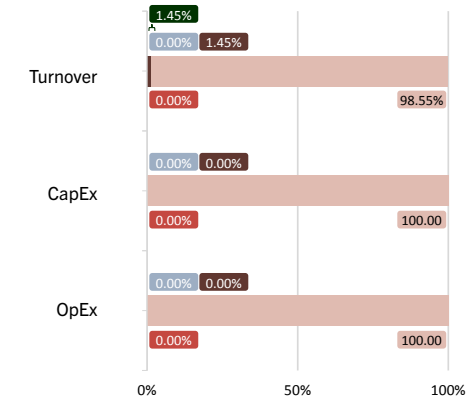
The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

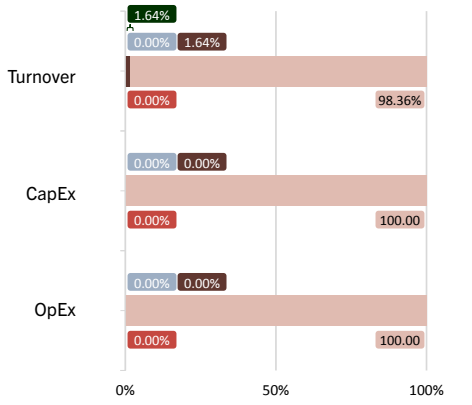
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 87.9% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

8.67%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic

activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

16.64%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
  - are involved with nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional weapons and small arms, military contracting weapons, tobacco production, adult entertainment production, gambling operations. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the investment index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 7 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

Disclaimers

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Japanese Equity Opportunities**

Legal entity identifier: **549300P01KPUTAFHD235**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **38.35%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the reference index. The Topix index was used to measure the positive tilt; however, no reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil Sands Extraction	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Shale Energy Extraction	>25%
Off-shore Arctic Oil & Gas Exploration	>10%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Tobacco Products Production	>10%
Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes
Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.02	1.24
Weapons	0.12	0.15
Other controversial activities	0.09	0.68
Not applicable:	0.77	0.00
Not covered:	0.00	1.06

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 70 general assembly meetings out of 70 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 20.00% of meetings.

Out of 803 management resolutions, we voted against management on 22 items (2.74%) and abstained on 0 items (0.00%).

We supported 5 (83.33%) shareholder resolutions out of 6 proposals.

In respect to Environmental and/or Social issues we voted for 0 out of 0 management resolutions and for 1 out of 1 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 15 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund did not commit to a minimum proportion of sustainable investments.

However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.

How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
TOYOTA MOTOR CORP	Consumer Discretionary	3.4	Japan
SONY GROUP CORP	Consumer Discretionary	3.3	Japan
HITACHI LTD	Industrials	3.1	Japan
KEYENCE CORP	Information Technology	3.1	Japan
SHIN-ETSU CHEMICAL CO LTD	Materials	3.1	Japan
MITSUBISHI UFJ FINANCIAL GRO	Financials	2.8	Japan
NIPPON TELEGRAPH & TELEPHONE	Consumer Discretionary	2.7	Japan
ORIX CORP	Financials	2.4	Japan
RECRUIT HOLDINGS CO LTD	Industrials	2.4	Japan
NINTENDO CO LTD	Consumer Discretionary	2.3	Japan
FUJITSU LIMITED	Information Technology	2.3	Japan
SUZUKI MOTOR CORP	Consumer Discretionary	2.3	Japan
DENSO CORP	Consumer Discretionary	2.3	Japan

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
RENESAS ELECTRONICS CORP	Information Technology	2.2	Japan
OLYMPUS CORP	Health Care	2.2	Japan

Source: Pictet Asset Management, GICS/MSCI.

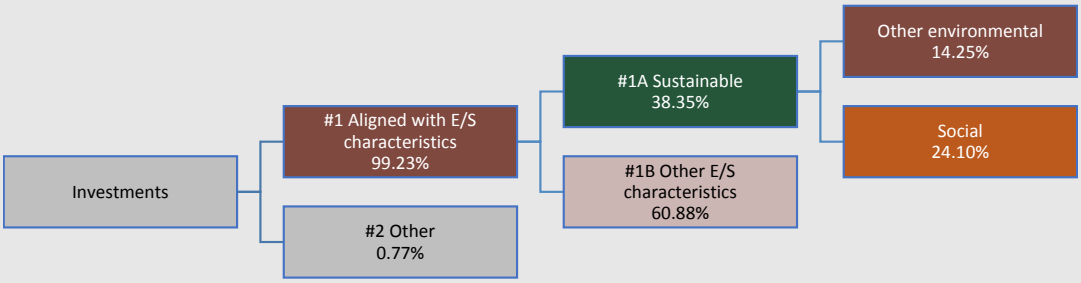
What was the proportion of sustainability-related investments?

38.35%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 99.23% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 0.77% invested in Other (#2 Other). 38.35% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

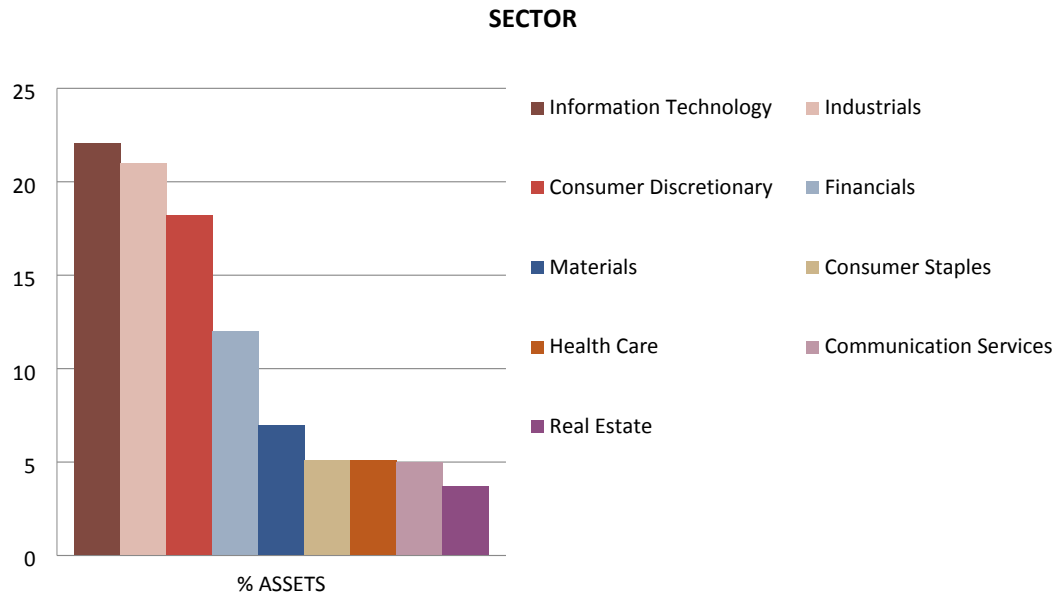
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Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

- **In which economic sectors were the investments made?**



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

Not applicable.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy**[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

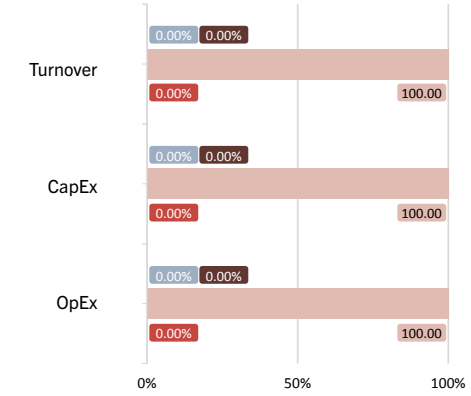
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

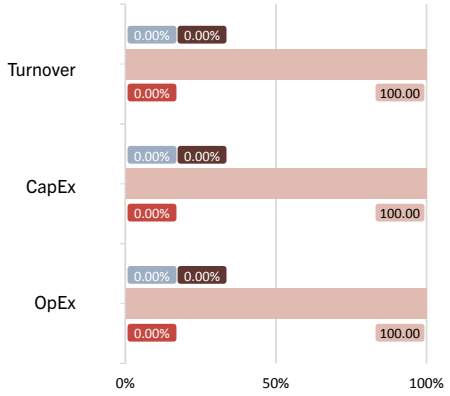
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 99.23% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  Not applicable.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

14.25%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

24.1%

What investments were included under "other", what was their purpose and were there any

minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
- are involved with nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons
- derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional weapons and small arms, military contracting weapons, tobacco production, adult entertainment production, gambling operations. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
- severely violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 15 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Multi Asset Global Opportunities**

Legal entity identifier: **549300Y6STSCWOUIIU46**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **23.08%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the investment universe.

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil Sands Extraction	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Shale Energy Extraction	>25%
Off-shore Arctic Oil & Gas Exploration	>10%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Tobacco Products Production	>10%
Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes
Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the investment universe.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	1.47	0.00
Weapons	0.11	0.00
Other controversial activities	0.14	0.00
Not applicable:	58.01	100.00
Not covered:	0.79	0.00

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 1370 general assembly meetings out of 1385 votable meetings (98.92%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 38.63% of meetings.

Out of 19483 management resolutions, we voted against management on 1083 items (5.56%) and abstained on 208 items (1.07%).

We supported 450 (64.66%) shareholder resolutions out of 696 proposals.

In respect to Environmental and/or Social issues we voted for 102 out of 105 management resolutions and for 271 out of 402 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 284 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund did not commit to a minimum proportion of sustainable investments.

However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.

How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognised global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

The proxy voting and engagement process were mainly led by investment professionals across several investment teams in Pictet Asset Management, with the support of a central ESG team.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's responsible investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
EUROPEAN UNION 0.8% 04.07.2025 SR	Sovereign	4.7	Supranational
EUROPEAN UNION 0% 06.07.2026 SR	Sovereign	3.9	Supranational
EUROPEAN UNION 2% 04.10.2027 SR	Sovereign	3.5	Supranational
EUROPEAN UNION 0% 04.03.2026 SR	Sovereign	2.8	Supranational
BTPS 1.6% 22.11.2028 SR	Sovereign	2.7	Italy
EUROPEAN UNION 0% 04.07.2031 SR	Sovereign	2.3	Supranational
EUROPEAN UNION 0% 04.10.2028 SR	Sovereign	2.3	Supranational
INVESCO PHYSICAL GOLD ETC	Precious Metals	2.2	Ireland
EUROPEAN UNION 0.4% 04.02.2037 SR	Sovereign	2.2	Supranational
TSY INFL IX N/B 0.125% 15.01.2032 UNS	Sovereign	2.1	United States
EUROPEAN UNION 3% 04.03.2053 SR	Sovereign	1.8	Supranational

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
EUROPEAN UNION 3.375% 04.11.2042 SR	Sovereign	1.4	Supranational
MICROSOFT CORP	Information Technology	1.4	United States
APPLE INC	Information Technology	1.4	United States
TSY INFL IX N/B 0.25% 15.01.2025 UNS	Sovereign	1.3	United States

Source: Pictet Asset Management.

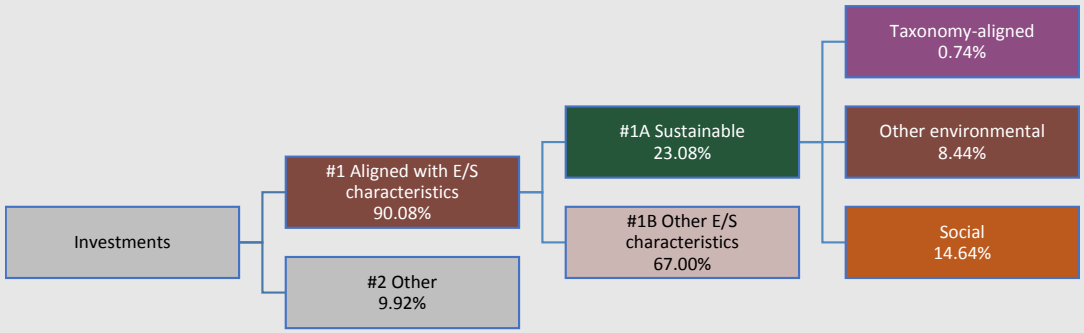
What was the proportion of sustainability-related investments?

23.08%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 90.08% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 9.92% invested in Other (#2 Other). 23.08% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

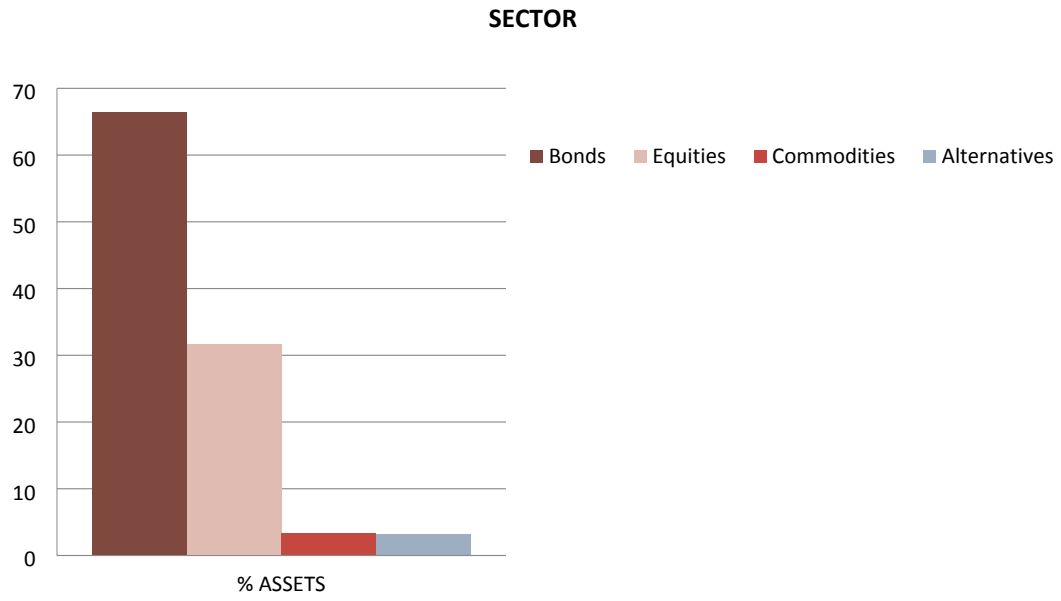
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

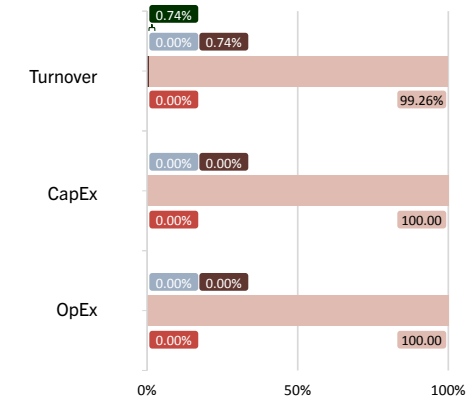
The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

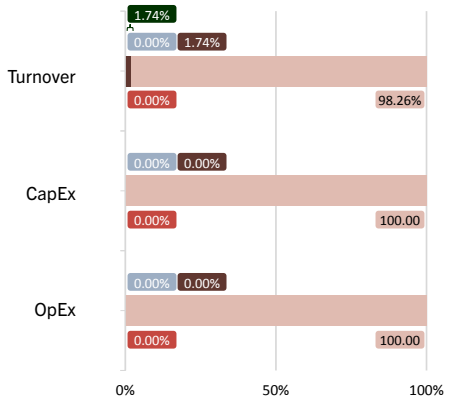
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 42.93% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

8.44%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic

activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

14.64%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
  - are involved with nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional weapons and small arms, military contracting weapons, tobacco production, adult entertainment production, gambling operations. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- exclusions of countries subject to international sanctions
- a better ESG profile than the investment universe
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 284 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Robotics**

Legal entity identifier: **549300SVYNI47OIC3C69**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **79.89%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the reference index. The MSCI AC World index was used to measure the positive tilt; however, no reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	4.15
Weapons	0.23	0.99
Other controversial activities	0.00	1.02
Not applicable:	0.66	0.00
Not covered:	0.06	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 37 general assembly meetings out of 37 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 27.03% of meetings.

Out of 490 management resolutions, we voted against management on 10 items (2.04%) and abstained on 7 items (1.43%).

We supported 4 (36.36%) shareholder resolutions out of 11 proposals.

In respect to Environmental and/or Social issues we voted for 1 out of 1 management resolutions and for 3 out of 4 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 12 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

- **...and compared to previous periods?**

  This question will be addressed in future annual reports due to lack of a track record.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

  The fund did not commit to a minimum proportion of sustainable investments.

  However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

  Environmental

  - climate change mitigation or adaptation
  - sustainable use and protection of water and marine resources
  - transition to a circular economy
  - pollution prevention and control, or
  - protection and restoration of biodiversity and ecosystems

  Social

  - inclusive and sustainable communities
  - adequate living standards and well-being for end users, or
  - decent work

  Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

  To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

  (i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

  (ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

  Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
SALESFORCE INC	Information Technology	6.1	United States
ALPHABET INC-CL C	Communication Services	5.7	United States
SIEMENS AG-REG	Industrials	5.3	Germany
SYNOPSYS INC	Information Technology	4.3	United States
KLA CORP	Information Technology	4.0	United States
INFINEON TECHNOLOGIES AG	Information Technology	3.8	Germany
ASML HOLDING NV	Information Technology	3.7	Netherlands
MICROCHIP TECHNOLOGY INC	Information Technology	3.5	United States
NXP SEMICONDUCTORS NV	Information Technology	3.5	Netherlands
TAIWAN SEMICONDUCTOR MANUFAC	Information Technology	3.4	Taiwan
SPLUNK INC	Information Technology	3.4	United States
ADVANCED MICRO DEVICES	Information Technology	3.4	United States

Source: Pictet Asset Management, GICS/MSCI.

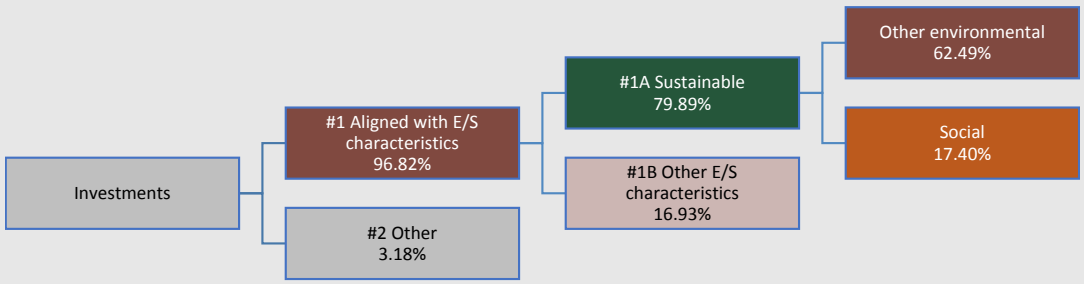
What was the proportion of sustainability-related investments?

79.89%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 96.82% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 3.18% invested in Other (#2 Other). 79.89% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

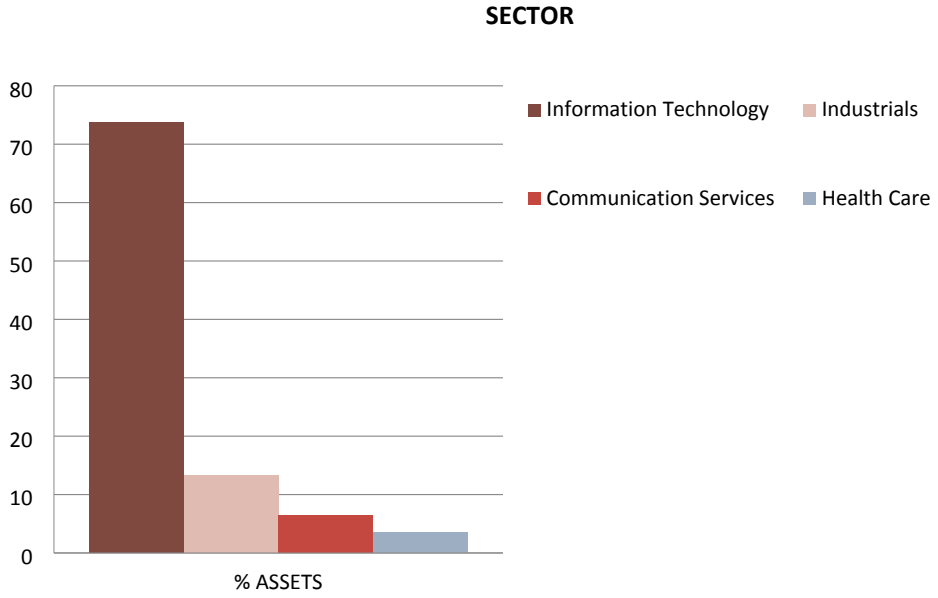
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

Not applicable.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

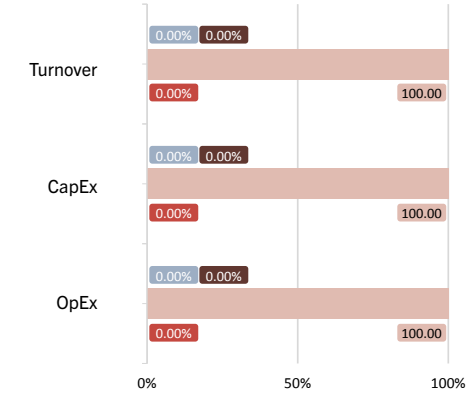
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

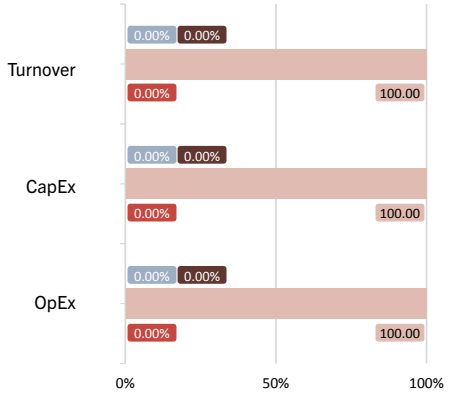
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 96.82% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  Not applicable.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

62.49%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

17.4%

What investments were included under "other", what was their purpose and were there any

minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
- are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
- derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
- severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 12 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Security**

Legal entity identifier: **549300V8FZYMGQ1ITR48**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

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DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **93.88%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive tilt:

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks and, as a result, had a better environmental, social and governance (ESG) profile than the reference index. The MSCI AC World index was used to measure the positive tilt; however, no reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	4.15
Weapons	0.03	0.99
Other controversial activities	0.07	1.02
Not applicable:	0.43	0.00
Not covered:	0.05	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 52 general assembly meetings out of 52 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 21.15% of meetings.

Out of 676 management resolutions, we voted against management on 6 items (0.89%) and abstained on 10 items (1.48%).

We supported 10 (66.67%) shareholder resolutions out of 15 proposals.

In respect to Environmental and/or Social issues we voted for 2 out of 2 management resolutions and for 6 out of 8 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 14 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

- **...and compared to previous periods?**

  This question will be addressed in future annual reports due to lack of a track record.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

  The fund did not commit to a minimum proportion of sustainable investments.

  However, ex-post, the fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

  Environmental

  - climate change mitigation or adaptation
  - sustainable use and protection of water and marine resources
  - transition to a circular economy
  - pollution prevention and control, or
  - protection and restoration of biodiversity and ecosystems

  Social

  - inclusive and sustainable communities
  - adequate living standards and well-being for end users, or
  - decent work

  Pictet Asset Management used a proprietary reference framework as well as the objectives of the EU Taxonomy to define sustainable investments.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

  To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

  (i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

  (ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

  Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
THERMO FISHER SCIENTIFIC INC	Health Care	4.3	United States
EQUINIX INC	Real Estate	4.2	United States
JOHNSON CONTROLS INTERNATION	Industrials	4.1	United States
PALO ALTO NETWORKS INC	Information Technology	4.1	United States
KLA CORP	Information Technology	3.7	United States
CINTAS CORP	Industrials	3.2	United States
STERIS PLC	Health Care	3.2	United States
REVVITY INC	Health Care	3.2	United States
FISERV INC	Financials	3.2	United States
APTIV PLC	Consumer Discretionary	3.2	Ireland
SPLUNK INC	Information Technology	3.1	United States
FORTINET INC	Information Technology	2.9	United States
RENTOKIL INITIAL PLC	Industrials	2.8	United Kingdom
ROPER TECHNOLOGIES INC	Information Technology	2.7	United States
NXP SEMICONDUCTORS NV	Information Technology	2.6	Netherlands

Source: Pictet Asset Management, GICS/MSCI.

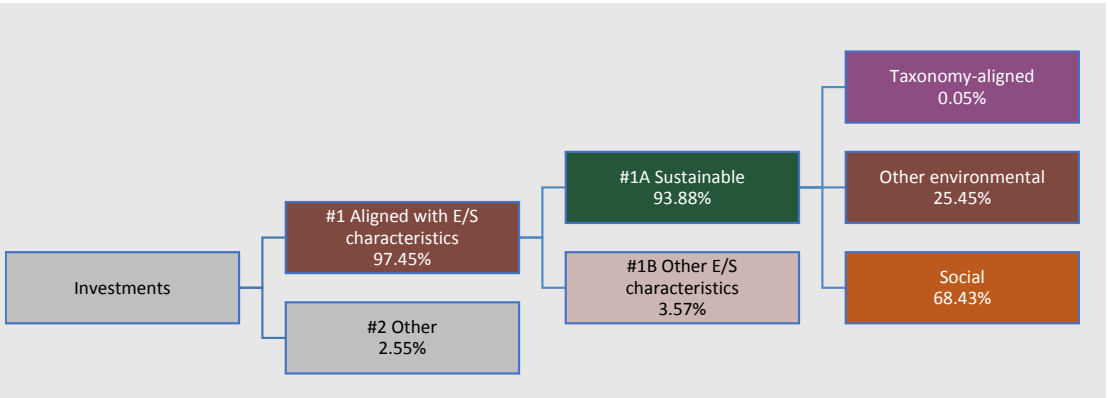
What was the proportion of sustainability-related investments?

93.88%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 97.45% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 2.55% invested in Other (#2 Other). 93.88% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

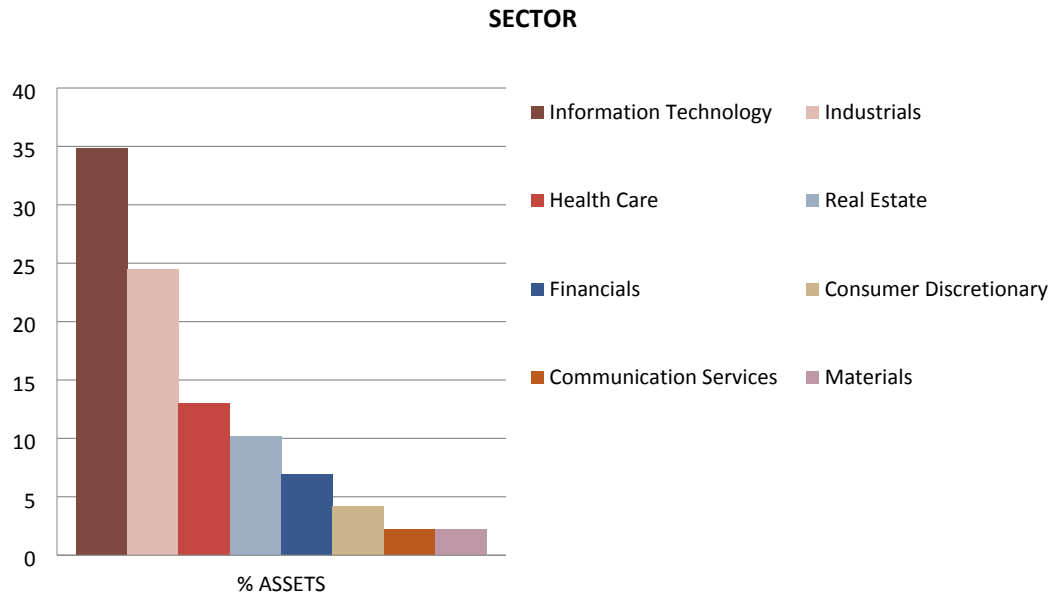
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

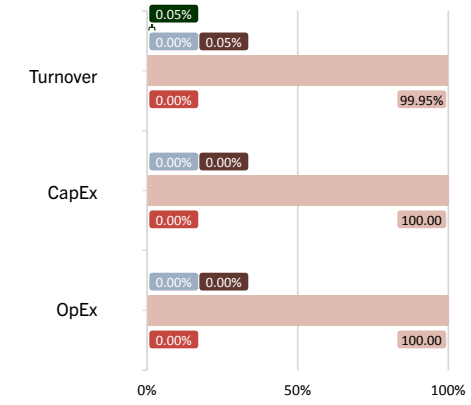
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

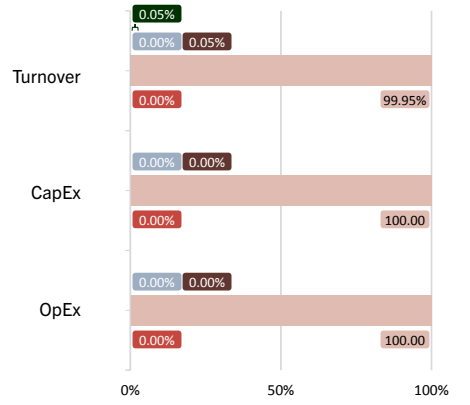
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 97.45% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

25.45%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

68.43%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 14 companies as of 30.09.2023.

How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Global Real Return Fund **Legal entity identifier:** TJC21SOQHOBNQ288A280

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☑ No
☐ **It made sustainable investments with an environmental objective: ____%**	☐ **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments**
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ **It made sustainable investments with a social objective: ____%**	☑ **It promoted E/S characteristics, but did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted environmental characteristics through the screening of all direct investments against the Fund's exclusion policy. The Fund also promoted environmental characteristics by actively engaging with issuers on material climate related matters which included encouraging companies to align to the Paris Agreement, adopt science-based targets for carbon emissions reduction and/or broadly advance their sustainability commitments.

How did the sustainability indicators perform?

The Fund's sustainability-related impact was measured through the Investment Advisor's implementation of its issuer engagement policy and exclusion strategy. The Fund's exclusion strategy and exclusion screening process applies to 100% of its direct investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

For example, the Fund's screening process resulted in the exclusion of certain sectors including issuers involved in coal and unconventional oil (such as arctic oil and oil sands). In addition, as part of the Fund's screening process, the Investment Advisor referred to globally accepted norms such as the UN Global Compact Principles, where appropriate.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is as at 31 December 2022

Largest investments	Sector	% Net Assets	Country
U.S. Treasury Inflation Protected Securities 0.125% due 15/07/2031	Inflation Linked	6.72%	United States
U.S. Treasury Inflation Protected Securities 0.500% due 15/01/2028	Inflation Linked	4.05%	United States
U.S. Treasury Inflation Protected Securities 0.125% due 15/04/2025	Inflation Linked	3.56%	United States
United Kingdom Gilt 1.250% due 22/11/2032	Inflation Linked	3.18%	United Kingdom
Italy Buoni Poliennali Del Tesoro 1.400% due 26/05/2025	Inflation Linked	2.82%	Italy
U.S. Treasury Inflation Protected Securities 0.625% due 15/04/2023	Inflation Linked	2.65%	United States
U.S. Treasury Inflation Protected Securities 0.125% due 15/01/2030	Inflation Linked	2.61%	United States
U.S. Treasury Inflation Protected Securities 0.250% due 15/07/2029	Inflation Linked	2.56%	United States
U.S. Treasury Inflation Protected Securities 1.625% due 15/10/2027	Inflation Linked	2.52%	United States
Italy Buoni Poliennali Del Tesoro 1.300% due 15/05/2028	Inflation Linked	2.31%	Italy
U.S. Treasury Inflation Protected Securities 3.625% due 15/04/2028	Inflation Linked	2.29%	United States
U.S. Treasury Inflation Protected Securities 0.125% due 15/04/2026	Inflation Linked	2.01%	United States
Japan Government International Bond 0.100% due 10/03/2029	Inflation Linked	1.79%	Japan
Uniform Mortgage-Backed Security, TBA 3.000% due 01/02/2053	Securitized	1.71%	United States
New Zealand Government International Bond 2.000% due 20/09/2025	Inflation Linked	1.63%	New Zealand

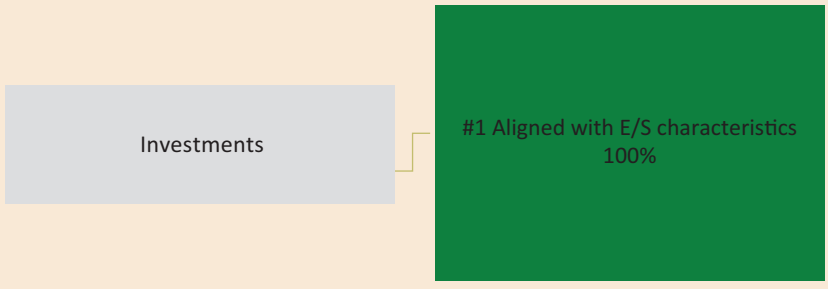
For the purposes of compiling the information disclosed above, the investments of the Fund as at 31 December 2022 have been used.

What was the proportion of sustainability-related investments?

Information on the proportion of the Fund which promoted environmental/social characteristics as at 31 December 2022 is provided below.

What was the asset allocation?

As at 31 December 2022, 100% of the Fund's direct investments were considered to promote environmental characteristics as the Fund's exclusion strategy and exclusion screening process was applied to all of its direct investments. Minimum environmental or social safeguards were provided for such direct investments only and did not apply to indirect investments.



#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. .

In which economic sectors were the investments made?

Sector	% of Net Assets
Inflation Linked	100.97%
Net Other Short Duration Instruments	15.95%
Securitized	8.56%
Covered Bonds and Pfandbriefe	3.62%
Investment Grade Credit	0.17%
Emerging Market Local	0.07%
High Yield Credit	0.04%
Government Related	-29.38%

For the purposes of compiling the information disclosed above, the holdings of the Fund as at 31 December 2022 have been used.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

As at 31 December 2022, the percentage of investments that were aligned with the EU Taxonomy is 0%. This figure has not been subject to an assurance provided by an auditor nor has it been reviewed by any other third party.

Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy[1]?

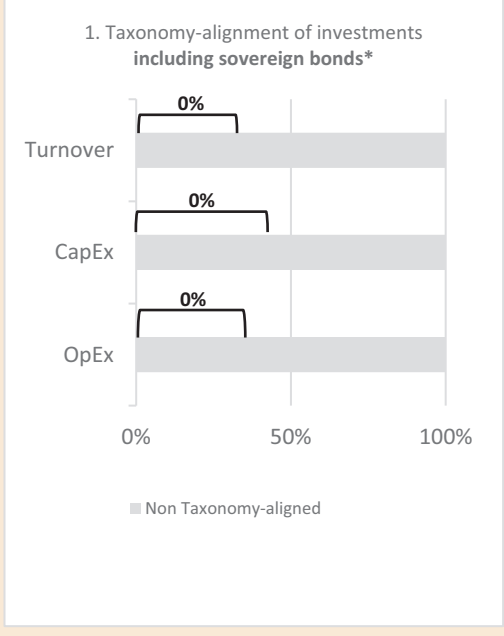
☐ **Yes:**

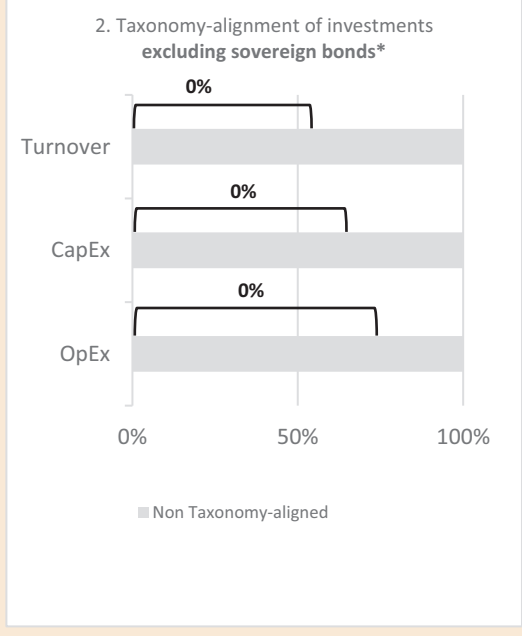
☐ In fossil gas ☐ In nuclear energy

☑ **No**

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

What was the share of investments made in transitional and enabling activities?

As at 31 December 2022, the proportion of investments of the Fund in transitional and enabling activities during the reference period was 0%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As noted above, as at 31 December 2022, 100% of the Fund's direct investments were considered to promote environmental characteristics as the Fund's exclusion strategy and exclusion screening process was applied to all of its direct investments.

Minimum environmental or social safeguards were provided for such direct investments only and did not apply to indirect investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the Investment Advisor engaged with companies and issuers on material climate related matters and sought to encourage companies to align to the Paris Agreement, adopt science-based targets for carbon emissions reduction and/or broadly advance their sustainability commitment.

Sustainability disclosures (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Robeco Capital Growth Funds - Robeco BP Global Premium Equities
Legal entity identifier: 2138001L9IU6WM5R6H47

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 64.2% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. All equity holdings granted the right to vote and Robeco exerted that right by voting according to Robeco's Proxy Voting Policy, unless impediments occured (e.g. share blocking).
2. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
3. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have

breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.

4. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk , based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.
5. The sub-fund's weighted carbon footprint was better than that of the general market index.

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2022.

1. On behalf of the sub-funds votes, were cast on 1549 agenda items at 108 shareholders' meetings.
2. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
3. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
4. 0.15% of the holdings in portfolio had an elevated sustainability risk profile.
5. The sub-fund's weighted carbon footprint was 4.36% better than that of the general market index.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

Sustainability disclosures (unaudited)

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were consired in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 5, table 1 regarding the share of energy consomption from non-renewable sources was considered via engagement, proxy voting and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy comsumption per High Impact Climate sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans ≥ 300 MW)).

- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.
- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement, proxy voting and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occured. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 11, table 1 regarding lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises was considered via engagement and proxy voting. Robeco supports the human rights principles described in the Universal Declaration of Human Rights (UDHR) and detailed in the Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and the eight fundamental International Labour Organization (ILO) conventions. Our commitment to these principles means Robeco will expect companies to formally commit to respect human rights, have in place human rights due diligence processes, and, where appropriate, ensure that victims of human rights abuses have access to remedy.
- PAI 12, table 1 regarding unadjusted gender pay-gap was considered via engagement and proxy voting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to the gender pay gap. Overall, gender pay gap disclosures are only mandatory in few jurisdictions (e.g. UK, California). Companies are encouraged to improve such disclosures.
- PAI 13, table 1 regarding board gender diversity was considered via engagement and proxy vorting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to equal pay.
- PAI 14, table 1 regarding exposure to contraversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons:1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines.2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions.3. The Chemical Weapons Convention (1997) which

prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.

- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".
- PAI 5, table 3 regarding the share of investments in investee companies without any grievance or complaintshandling mechanism was considered.
- PAI 6, table 3 regarding insufficient whistleblower protection was considered.
- PAI 7, table 3 regarding incidents of discrimination was considered.
- PAI 8, table 3 regarding exessive CEO pay ratio was considered via proxy voting and engagement under the engagement program "Responsible Executive Remuneration".

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

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 Union 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.

Sustainability disclosures (unaudited)

How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 7.53% of the net assets, compared to 5.12% of the benchmark
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets, compared to 0.06% of the benchmark
  - Exposure to comapanies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 10.52% of the net assets, compared to 9.55% of the benchmark. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0% of the net assets, compared to 0.32% of the benchmark
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector
  - The board gender diversity (PAI 13, Table 1), expressed as the weighted average ratio of female to male board members of the portfolio was 0.6 compared to 0.5 for the benchmark.

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- Via the application of the voting policy, the following PAIs were considered:
  - All indicators related to GHG emissions (PAI 1-6, Table 1)
  - Indicators in related to social and employee matters (PAI 10-13, Table 1; PAI 5-8, Table 3)
- Via Robeco's entity engagement program, the following PAIs were considered:
  - At year end 16 companies in portfolio were subject to the Robeco Entity Engagement program. Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 1, table 1: GHG emissions 4 cases. PAI 2, table 1: Carbon footprint 4 cases. PAI 3, table 1: GHG intensity of investee companies 4 cases. PAI 4, table 1: Exposure to companies active in the fossil fuel sector 4 cases. PAI 5, table 1: Share of nonrenewable energy consumption and production 4 cases. PAI 6, table 1: Energy consumption intensity per high impact climate sector 4 cases. PAI 12, table 1: Unadjusted gender pay gap 1 case.
  - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and
  - Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.

Sustainability disclosures (unaudited)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022

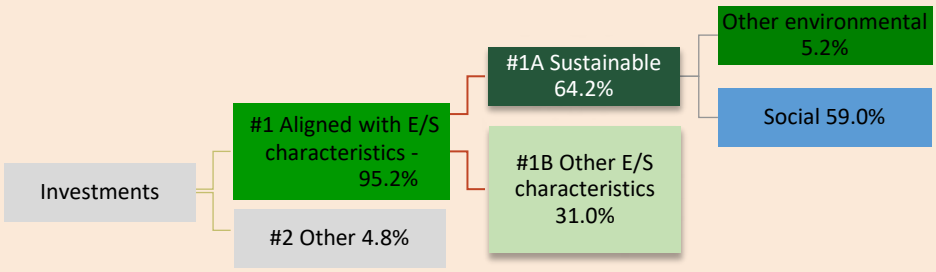
Largest investments	Sector	% Assets	Country
AbbVie Inc	Biotechnology	2.18	United States
Cigna Group/The	Health Care Providers & Services	2.13	United States
Sanofi	Pharmaceuticals	2.13	France
CVS Health Corp	Health Care Providers & Services	2.07	United States
TotalEnergies SE	Oil, Gas & Consumable Fuels	2.05	France
Glencore PLC	Metals & Mining	2.02	United Kingdom
Nexstar Media Group Inc	Media	1.91	United States
Everest Re Group Ltd	Insurance	1.89	United States
Deutsche Telekom AG	Diversified Telecommunication Services	1.67	Germany
Siemens AG	Industrial Conglomerates	1.60	Germany
Stellantis NV	Automobiles	1.58	Netherlands
Rheinmetall AG	Aerospace & Defense	1.56	Germany
Elevance Health Inc	Health Care Providers & Services	1.55	United States
McKesson Corp	Health Care Providers & Services	1.49	United States
Amgen Inc	Biotechnology	1.47	United States

What was the proportion of sustainability-related investments?

95.2%

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainability disclosures (unaudited)

In which economic sectors were the investments made?

Sector	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Oil, Gas & Consumable Fuels	5.89
Energy Equipment & Services	1.91
Other sectors	
Health Care Providers & Services	12.05
Banks	7.94
Pharmaceuticals	6.82
Insurance	3.83
Biotechnology	3.64
IT Services	3.52
Aerospace & Defense	3.43
Semiconductors & Semiconductor Equipment	3.04
Automobiles	2.75
Metals & Mining	2.61
Machinery	2.58
Software	2.50
Beverages	2.31
Trading Companies & Distributors	2.28
Media	2.21
Industrial Conglomerates	2.04
Diversified Telecommunication Services	2.00
Chemicals	1.89
Specialty Retail	1.77
Wireless Telecommunication Services	1.51
Electric Utilities	1.49
Professional Services	1.39
Distributors	1.35
Construction Materials	1.34
Construction & Engineering	1.32
Food & Staples Retailing	1.19
Health Care Equipment & Supplies	1.16
Capital Markets	1.10
Communications Equipment	0.98
Hotels, Restaurants & Leisure	0.94
Consumer Finance	0.90
Building Products	0.69
Electronic Equipment, Instruments & Components	0.68
Air Freight & Logistics	0.67
Commercial Services & Supplies	0.54
Electrical Equipment	0.52
Computers & Peripherals	0.36
Household Durables	0.31
Semiconductors & semicond. equipm.	0.17
Diversified Telecom Services	0.16
Textiles, Apparel & Luxury Goods	0.16
Food Products	0.15
Real Estate Investment Trusts (REITs)	0.12
Cash and other instruments	3.76

Sustainability disclosures (unaudited)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

0%.

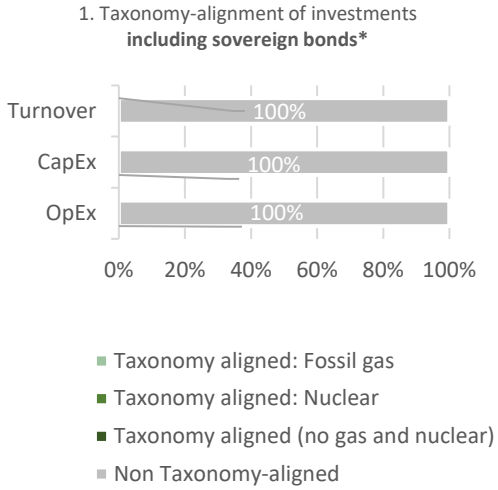
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy** 1**?

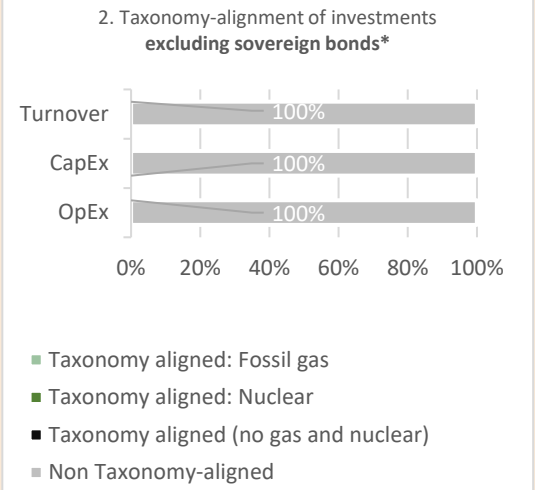
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.





This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

0%.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

5.2%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

59.0%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (qulity education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong insttutions) or 17 (partnerships for the goals).



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the mandate was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 16 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues. In addition, the carbon footprint of the fund was better than that of the reference index.

Sustainability disclosures (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Robeco Capital Growth Funds - Robeco FinTech
Legal entity identifier: 213800XVWPYZAY58YG68

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 82.9% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. All equity holdings granted the right to vote and Robeco exerted that right by voting according to Robeco's Proxy Voting Policy, unless impediments occured (e.g. share blocking).
2. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
3. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have

breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.

4. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk , based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2022.

1. On behalf of the sub-funds votes, were cast on 694 agenda items at 70 shareholders' meetings.
2. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
3. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
4. 0.00% of the holdings in portfolio had an elevated sustainability risk profile.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were consired in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 5, table 1 regarding the share of energy consomption from non-renewable sources was considered via engagement, proxy voting and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy comsumption per High Impact Climate sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans ≥ 300 MW)).

- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.
- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement, proxy voting and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occured. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 11, table 1 regarding lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises was considered via engagement and proxy voting. Robeco supports the human rights principles described in the Universal Declaration of Human Rights (UDHR) and detailed in the Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and the eight fundamental International Labour Organization (ILO) conventions. Our commitment to these principles means Robeco will expect companies to formally commit to respect human rights, have in place human rights due diligence processes, and, where appropriate, ensure that victims of human rights abuses have access to remedy.
- PAI 12, table 1 regarding unadjusted gender pay-gap was considered via engagement and proxy voting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to the gender pay gap. Overall, gender pay gap disclosures are only mandatory in few jurisdictions (e.g. UK, California). Companies are encouraged to improve such disclosures.
- PAI 13, table 1 regarding board gender diversity was considered via engagement and proxy vorting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to equal pay.
- PAI 14, table 1 regarding exposure to contraversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons:1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines.2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions.3. The Chemical Weapons Convention (1997) which

prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.

- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".
- PAI 5, table 3 regarding the share of investments in investee companies without any grievance or complaintshandling mechanism was considered.
- PAI 6, table 3 regarding insufficient whistleblower protection was considered.
- PAI 7, table 3 regarding incidents of discrimination was considered.
- PAI 8, table 3 regarding exessive CEO pay ratio was considered via proxy voting and engagement under the engagement program "Responsible Executive Remuneration".

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

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 Union 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.

Sustainability disclosures (unaudited)

How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 0.05% of the net assets, compared to 4.98% of the benchmark
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets, compared to 0.23% of the benchmark
  - Exposure to comapanies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 0% of the net assets, compared to 8.9% of the benchmark. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0% of the net assets, compared to 0.4% of the benchmark
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector
  - The board gender diversity (PAI 13, Table 1), expressed as the weighted average ratio of female to male board members of the portfolio was 0.5 compared to 0.5 for the benchmark.
  - Post-investment, the following principal adverse impacts on sustainability factors were taken into account:
- Via the application of the voting policy, the following PAIs were considered:
  - All indicators related to GHG emissions (PAI 1-6, Table 1)
  - Indicators in related to social and employee matters (PAI 10-13, Table 1; PAI 5-8, Table 3)
- Via Robeco's entity engagement program, the following PAIs were considered:
  - At year end 4 companies in portfolio were subject to the Robeco Entity Engagement program.
  - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.

Sustainability disclosures (unaudited)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022

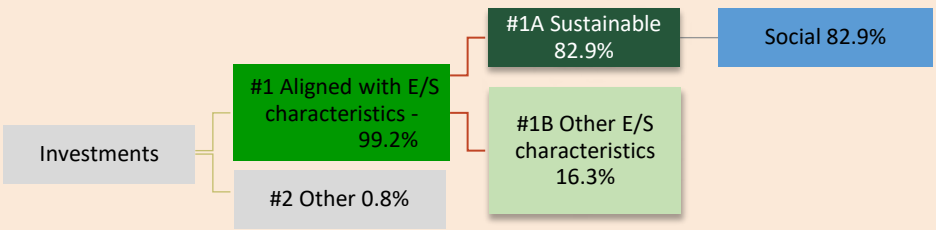
Largest investments	Sector	% Assets	Country
Visa Inc	IT Services	3.53	United States
MercadoLibre Inc	Internet & Direct Marketing Retail	3.43	United States
Tencent Holdings Ltd	Interactive Media & Services	3.11	China
Discover Financial Services	Consumer Finance	3.03	United States
London Stock Exchange Group PLC	Capital Markets	2.70	United Kingdom
Intuit Inc	Software	2.64	United States
FleetCor Technologies Inc	IT Services	2.59	United States
S&P Global Inc	Capital Markets	2.55	United States
Adyen NV	IT Services	2.53	Netherlands
Intercontinental Exchange Inc	Capital Markets	2.37	United States
Mastercard Inc	IT Services	2.37	United States
Fiserv Inc	IT Services	2.31	United States
PayPal Holdings Inc	IT Services	2.12	United States
Qualys Inc	Software	2.08	United States
Coinbase Global Inc	Capital Markets	1.92	United States

What was the proportion of sustainability-related investments?

99.2%

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainability disclosures (unaudited)

In which economic sectors were the investments made?

Sector	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Not applicable	0.00
Other sectors	
IT Services	32.07
Capital Markets	22.75
Software	15.43
Consumer Finance	7.84
Banks	7.79
Professional Services	4.45
Internet & Direct Marketing Retail	3.43
Interactive Media & Services	3.11
Entertainment	1.01
Insurance	0.91
Thrifts & Mortgage Finance	0.71
Cash and other instruments	0.50

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy** 1**?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

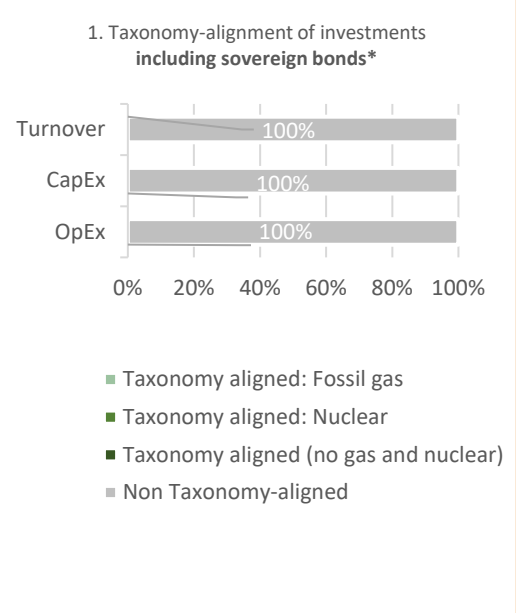
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

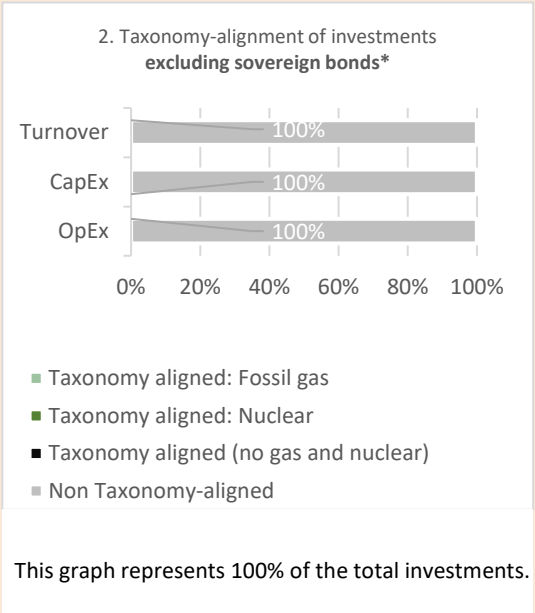
Sustainability disclosures (unaudited)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





This graph represents 100% of the total investments.

**What was the share of investments made in transitional and enabling activities?*

0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

0.0%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).

What was the share of socially sustainable investments?

82.9%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (qulity education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong insttutions) or 17 (partnerships for the goals).

Sustainability disclosures (unaudited)



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the mandate was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 4 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues.

Sustainability disclosures (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Robeco Capital Growth Funds - Robeco Global Consumer Trends
Legal entity identifier: 213800PFG7CLST9A1742

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 73.2% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. All equity holdings granted the right to vote and Robeco exerted that right by voting according to Robeco's Proxy Voting Policy, unless impediments occured (e.g. share blocking).
2. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
3. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have

breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.

4. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk , based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.
5. The sub-fund's weighted average ESG score was better than that of the general market index.

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2022.

1. On behalf of the sub-funds votes, were cast on 603 agenda items at 45 shareholders' meetings.
2. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
3. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
4. 0.00% of the holdings in portfolio had an elevated sustainability risk profile.
5. The sub-fund's weighted average ESG score was 20.32 against 21.90 for the general market index.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

Sustainability disclosures (unaudited)

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were consired in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (≥ 20% of the revenues), oil sands (≥ 10% of the revenues) and artic drilling (≥ 5% of the revenues)).
- PAI 5, table 1 regarding the share of energy consomption from non-renewable sources was considered via engagement, proxy voting and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy comsumption per High Impact Climate sector was considered via engagement, proxy voting and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans ≥ 300 MW)).

- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.
- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement, proxy voting and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occured. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 11, table 1 regarding lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises was considered via engagement and proxy voting. Robeco supports the human rights principles described in the Universal Declaration of Human Rights (UDHR) and detailed in the Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and the eight fundamental International Labour Organization (ILO) conventions. Our commitment to these principles means Robeco will expect companies to formally commit to respect human rights, have in place human rights due diligence processes, and, where appropriate, ensure that victims of human rights abuses have access to remedy.
- PAI 12, table 1 regarding unadjusted gender pay-gap was considered via engagement and proxy voting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to the gender pay gap. Overall, gender pay gap disclosures are only mandatory in few jurisdictions (e.g. UK, California). Companies are encouraged to improve such disclosures.
- PAI 13, table 1 regarding board gender diversity was considered via engagement and proxy vorting. In 2022, Robeco launched an engagement program on diversity and inclusion, which will include elements in relation to equal pay.
- PAI 14, table 1 regarding exposure to contraversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons:1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines.2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions.3. The Chemical Weapons Convention (1997) which

prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.

- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".
- PAI 5, table 3 regarding the share of investments in investee companies without any grievance or complaintshandling mechanism was considered.
- PAI 6, table 3 regarding insufficient whistleblower protection was considered.
- PAI 7, table 3 regarding incidents of discrimination was considered.
- PAI 8, table 3 regarding exessive CEO pay ratio was considered via proxy voting and engagement under the engagement program "Responsible Executive Remuneration".
-

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

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 Union 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.

Sustainability disclosures (unaudited)



How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 0.1% of the net assets, compared to 4.98% of the benchmark
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets, compared to 0.23% of the benchmark
  - Exposure to comapanies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 5.09% of the net assets, compared to 8.9% of the benchmark. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0% of the net assets, compared to 16872643.4% of the benchmark
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector
  - The board gender diversity (PAI 13, Table 1), expressed as the weighted average ratio of female to male board members of the portfolio was 0.6 compared to 0.5 for the benchmark.

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- Via the application of the voting policy, the following PAIs were considered:
  - All indicators related to GHG emissions (PAI 1-6, Table 1)
  - Indicators in related to social and employee matters (PAI 10-13, Table 1; PAI 5-8, Table 3)
- Via Robeco's entity engagement program, the following PAIs were considered:
  - At year end 12 companies in portfolio were subject to the Robeco Entity Engagement program. Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 7, table 1: Activities negatively affecting biodi-versity sensitive areas 1 case. PAI 8, table 1: Emissions to water 1 case. PAI 9, table 1: Hazardous waste and radioactive waste ratio 1 case. PAI 12, table 1: Unadjusted gender pay gap 1 case.
  - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.

Sustainability disclosures (unaudited)

Sustainability disclosures (unaudited)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022

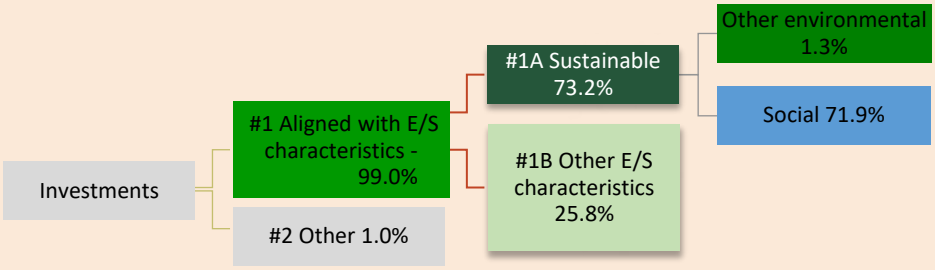
Largest investments	Sector	% Assets	Country
Visa Inc	IT Services	4.58	United States
Alphabet Inc (Class A)	Interactive Media & Services	4.09	United States
Microsoft Corp	Software	3.88	United States
Nestle SA	Food Products	3.76	Switzerland
Costco Wholesale Corp	Food & Staples Retailing	3.71	United States
Intuit Inc	Software	3.33	United States
Lululemon Athletica Inc	Textiles, Apparel & Luxury Goods	3.28	United States
LVMH Moet Hennessy Louis Vuitton SE	Textiles, Apparel & Luxury Goods	3.25	France
L'Oreal SA	Personal Products	3.22	France
Adyen NV	IT Services	3.07	Netherlands
Amazon.com Inc	Internet & Direct Marketing Retail	2.92	United States
Symrise AG	Chemicals	2.92	Germany
NVIDIA Corp	Semiconductors & Semiconductor Equipment	2.90	United States
NIKE Inc	Textiles, Apparel & Luxury Goods	2.84	United States
Zoetis Inc	Pharmaceuticals	2.79	United States

What was the proportion of sustainability-related investments?

99.0%

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainability disclosures (unaudited)

In which economic sectors were the investments made?

Sector	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Not applicable	0.00%
Other sectors	
Textiles, Apparel & Luxury Goods	13.62
IT Services	10.14
Personal Products	8.89
Internet & Direct Marketing Retail	8.76
Software	8.33
Interactive Media & Services	6.02
Chemicals	5.02
Semiconductors & Semiconductor Equipment	4.50
Household Products	3.93
Health Care Equipment & Supplies	3.89
Pharmaceuticals	3.76
Food Products	3.76
Food & Staples Retailing	3.71
Hotels, Restaurants & Leisure	3.16
Automobiles	3.11
Entertainment	2.87
Technology Hardware, Storage & Peripherals	2.04
Beverages	1.59
Media	0.79
Health Care Providers & Services	0.56
Multiline Retail	0.52
Cash and other instruments	1.03

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy** 1**?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

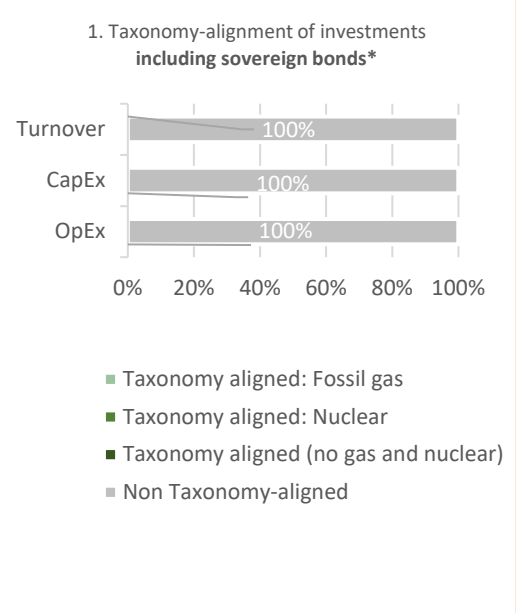
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

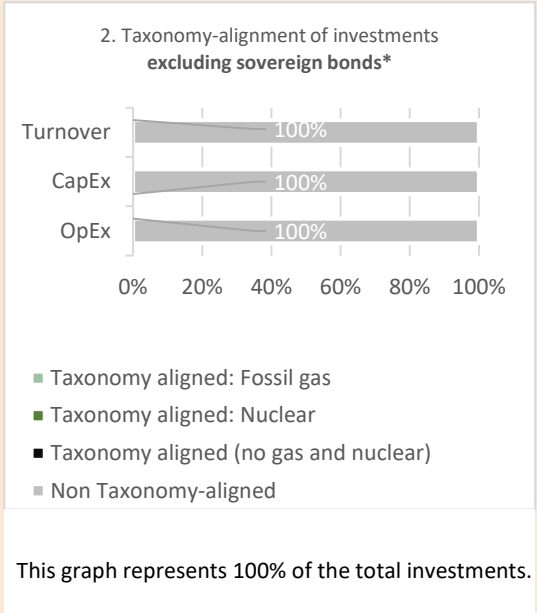
Sustainability disclosures (unaudited)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





This graph represents 100% of the total investments.

**What was the share of investments made in transitional and enabling activities?*

0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

1.3%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).

What was the share of socially sustainable investments?

71.9%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (qulity education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong insttutions) or 17 (partnerships for the goals).

Sustainability disclosures (unaudited)

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the mandate was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 12 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues.

Sustainability disclosures (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Robeco Capital Growth Funds - Robeco Global Credits
Legal entity identifier: 5493003I7YFQHV1J8E29

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 68.5% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
2. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.

3. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk , based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.
4. The sub-fund invested a minimum of 5% in green, social, sustainable, and/or sustainability-linked bonds.

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2022.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
3. 0.84% of the holdings in portfolio had an elevated sustainability risk profile.
4. The sub-fund invested 11.47% of its assets In green, social, sustainable and/or sustainability-linked bonds.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

Sustainability disclosures (unaudited)

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

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- PAI 5, table 1 regarding the share of energy consomption from non-renewable sources was considered via engagement and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy comsumption per High Impact Climate sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans ≥ 300 MW)).

- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.
- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occured. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 14, table 1 regarding exposure to contraversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons:1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines.2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions.3. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.
- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".

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

Sustainability disclosures (unaudited)

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 3.1% of the net assets, compared to 6.87% of the benchmark
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets, compared to 0.06% of the benchmark
  - Exposure to comapanies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 2.22% of the net assets, compared to 4.48% of the benchmark. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0% of the net assets, compared to 0.25% of the benchmark

o Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:

- All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
- Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

o Via Robeco's entity engagement program, the following PAIs were considered:

- At year end 29 companies in portfolio were subject to the Robeco Entity Engagement program. Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 1, table 1: GHG emissions 2 cases. PAI 2, table 1: Carbon footprint 2 cases. PAI 3, table 1: GHG intensity of investee companies 2 cases. PAI 4, table 1: Exposure to companies active in the fossil fuel sector 2 cases. PAI 5, table 1: Share of nonrenewable energy consumption and production 2 cases. PAI 6, table 1: Energy consumption intensity per high impact climate sector 2 cases. PAI 12, table 1: Unadjusted gender pay gap 2 cases. PAI 13, table 1: Board gender diversity 2 cases. PAI 7, table 1: Activities negatively affecting biodiversity sensitive areas 1 case. PAI 8, table 1: Emissions to water 1 case. PAI 9, table 1: Hazardous waste and radioactive waste ratio 1 case. PAI 10, table 1: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises 1 case. PAI 11, table 1: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises 1 case.
- Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
- In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.

Sustainability disclosures (unaudited)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022

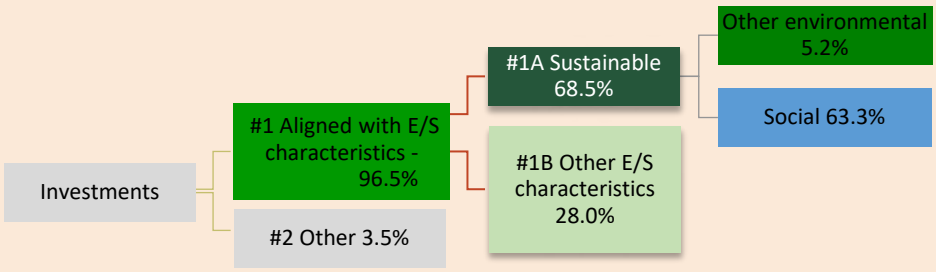
Largest investments	Sector	% Assets	Country
2.250 NEXTERA ENERGY CAPITAL 01-JUN-2030	Electric	1.31	United States
2.625 US TREASURY N/B 28-FEB-2023	Treasuries	1.26	United States
1.500 United States Treasury Note/Bond 28-Feb-2023	Treasuries	1.10	United States
(FRN) CAR 2020-1FRV A 21-OCT-2036	Car Loan	1.01	France
2.250 TSMC GLOBAL LTD 23-APR-2031	Technology	0.92	Taiwan
0.050 EUROPEAN INVESTMENT BANK 15-NOV-2029	Supranational	0.90	European Union
5.625 DEUTSCHE BANK AG 19-MAY-2031	Banking	0.88	Germany
7.625 CARNIVAL CORP 01-MAR-2026	Consumer Cyclical	0.86	United States
1.843 BANK OF AMERICA CORP 04-FEB-2025	Banking	0.86	United States
0.050 EUROPEAN INVESTMENT BANK 13-OCT-2034	Supranational	0.83	European Union
2.875 BANK OF NOVA SCOTIA 03-MAY-2027	Banking	0.82	Canada
0.750 CELLNEX TELECOM SA 20-NOV-2031	Communications	0.79	Spain
3.100 WESTERN DIGITAL CORP 01-FEB-2032	Technology	0.77	United States
0.606 NESTLE HOLDINGS INC 14-SEP-2024	Consumer Non Cyclical	0.74	United States
2.050 VISA INC 15-APR-2030	Technology	0.73	United States

What was the proportion of sustainability-related investments?

96.5%

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainability disclosures (unaudited)

In which economic sectors were the investments made?

Sector	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Energy	1.65
Natural Gas	0.57
Other sectors	
Banking	35.12
Technology	7.44
Treasuries	6.32
Communications	5.93
Consumer Cyclical	5.79
Consumer Non Cyclical	5.01
Basic Industry	4.13
Insurance	4.13
Owned No Guarantee	3.61
Electric	3.49
Supranational	2.71
Car Loan	2.50
Transportation	1.58
Capital Goods	1.46
Financial Other	1.04
Mortgage Assets	0.97
Whole Business	0.69
REITS	0.39
Residential Mortgage	0.14
Sovereign	0.10
Local Authorities	0.07
Government Guarantee	0.06
Government Sponsored	0.03
Industrial Other	0.00
Cash and other instruments	5.06

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy** 1**?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

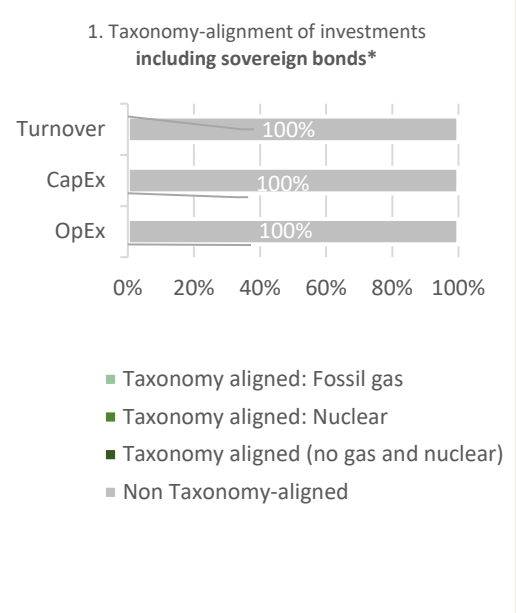
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

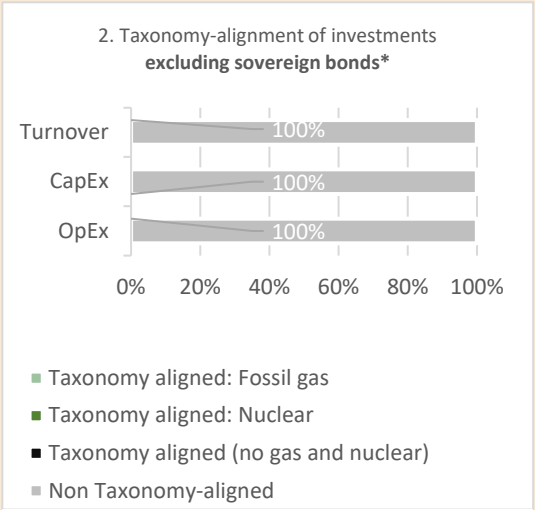
Sustainability disclosures (unaudited)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





This graph represents 91% of the total investments.

**What was the share of investments made in transitional and enabling activities?*

0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

5.2%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).

What was the share of socially sustainable investments?

63.3%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (qulity education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong insttutions) or 17 (partnerships for the goals).

Sustainability disclosures (unaudited)

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the mandate was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 7 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues. In addition, 11.47% of the assets were invested in green bonds.

Sustainability disclosure (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Robeco QI Global Dynamic Duration
Legal entity identifier: 213800O6XS66TUE3KZ90

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective: ___%**	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 1.2% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: ___%**	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy that is based on exclusion criteria that Robeco believes are detrimental to society and incompatible with sustainable investment strategies. Robeco deems investing in government bonds (federal or local) of countries where serious violations of human rights or a collapse of the governance structure take place as unsustainable. In addition, Robeco will follow applicable sanctions of the UN, EU or US to which it is subject and follows any mandatory (investment) restrictions deriving therefrom. This means that the Sub-fund has no exposure to excluded securities, taking into account a grace period.
2. The sub-fund's weighted carbon footprint was better than that of the general market index.

3. The sub-fund's weighted average Country Sustainability Ranking was better than the average ranking of the index.

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2022.

1. The portfolio contained on average 0.00% investments that are on the Exclusion list as result of the application of the applicable exclusion policy. Unless sanctions stipulate specific timelines, exclusions apply within three months after the announcement. If selling is not possible for liquidity reasons, then buying is not allowed. Once selling is possible at a reasonable price, holdings will be sold.
2. The sub-fund's weighted carbon footprint was 0.00% better than that of the general market index.
3. The sub-fund's weighted average Country Sustainability Ranking was 7.2 against 7.16 for the average ranking of the index.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund did not intend to make investments considered as sustainable investments as defined under the SFDR Regulation (EU) 2019/2088.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund did not intend to make investments considered as sustainable investments as defined under the SFDR Regulation (EU) 2019/2088.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Fund did not intend to make investments considered as sustainable investments as defined under the SFDR Regulation (EU) 2019/2088.

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

As the Fund invests in sovereigns and supranationals, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainability disclosure (unaudited)

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- As part of Country Sustainability ranking, used for The Fundamental analysis of bonds, the following PAIs were considered:
  - Table 1, PAI 15: The Green House Gas intensity (scope 1 and 2) of the sub-fund was 5% better than the benchmark.
  - Table 1, PAI 16: 0% of the assets was invested in countries subject to social violations.
  - In addition, the Fund has Environmental and Social promoting characteristics in relation to:
  - Table 2, PAI 17: The Share of bonds not certified as green under a future EU act setting up an EU Green Bond Standard was 1.19%.
  - Table 3, PAI 21: The average Corruption score was 0.6% better than the benchmark.

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- Table 1, PAI 15: The Green House Gas intensity (scope 1 and 2) of the sub-fund was 5% better than the benchmark.

Sustainability disclosure (unaudited)

What were the top investments of this financial product?

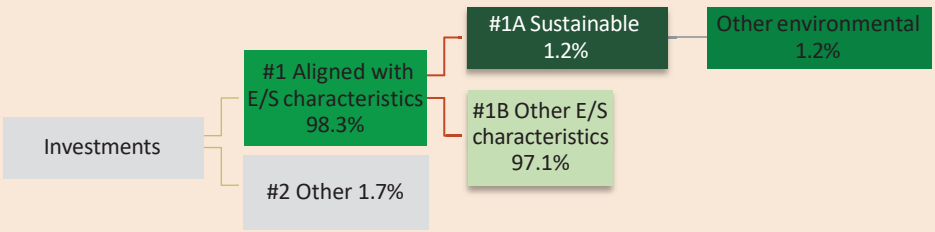
Largest investments	Sector	% Assets	Country
2.500 US TREASURY N/B 15-FEB-2045	Treasuries	3.51	United States
4.750 Australia Government Bond 21-Apr-2027	Treasuries	2.69	Australia
0.625 US TREASURY N/B 15-MAY-2030	Treasuries	2.65	United States
1.375 US TREASURY N/B 31-OCT-2028	Treasuries	2.46	United States
5.250 BUONI POLIENNALI DEL TES 01-NOV-2029	Treasuries	2.36	Italy
0.750 US TREASURY N/B 30-APR-2026	Treasuries	2.34	United States
2.000 US TREASURY N/B 15-NOV-2026	Treasuries	2.32	United States
0.750 US TREASURY N/B 31-MAY-2026	Treasuries	2.29	United States
6.250 US TREASURY N/B 15-MAY-2030	Treasuries	2.23	United States
0.500 US TREASURY N/B 31-MAY-2027	Treasuries	2.22	United States
1.125 US TREASURY N/B 28-FEB-2027	Treasuries	2.22	United States
1.300 JAPAN (20 YEAR ISSUE) 20-JUN-2035	Treasuries	2.01	Japan
2.500 US TREASURY N/B 15-FEB-2046	Treasuries	1.96	United States
2.250 US TREASURY N/B 15-AUG-2046	Treasuries	1.96	United States
0.000 NETHERLANDS GOVERNMENT 15-JAN-2024	Treasuries	1.87	Netherlands

What was the proportion of sustainability-related investments?

98.3%

What was the asset allocation?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainability disclosure (unaudited)

In which economic sectors were the investments made?

GICS Sector Level 3	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Not apllicable	0.00
Other sectors	
Treasuries	97.66
Cash and other instruments	2.34

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

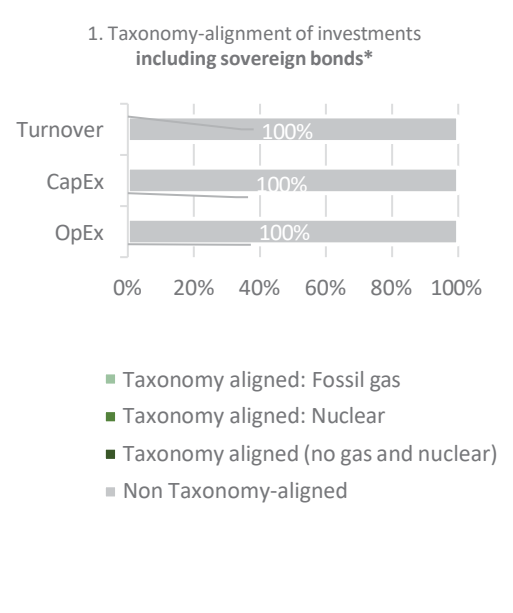
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

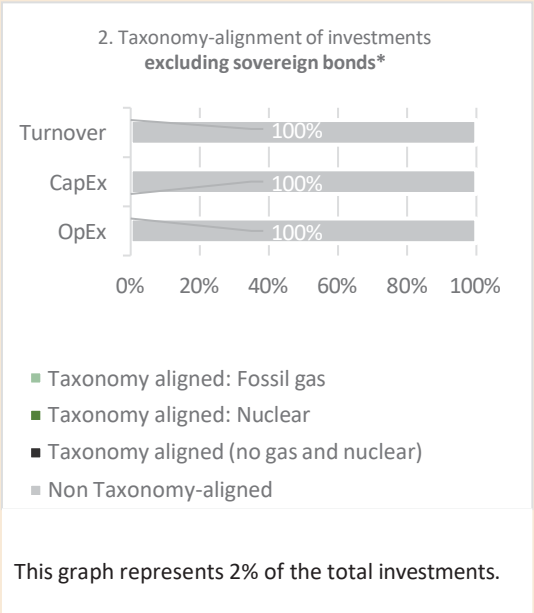
Sustainability disclosure (unaudited)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





This graph represents 2% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

1.2%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).

What was the share of socially sustainable investments?

No investments were made in socially sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.

Sustainability disclosure (unaudited)



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 1.19% of the assets were invested in green bonds.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: R-co 4Change Moderate Allocation

Legal entity identifier: 969500ZTLK8HAWMAMI53

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: [N/A]	☒ 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 50.0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It will make a minimum of **sustainable investments with a social objective**: N/A	☒ with a social objective
	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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



Through our work and MSCI ESG Research, we consider a broad spectrum of criteria relating to the E pillar (physical risks linked to climate change, water stress, waste management, etc.) and S pillar (staff training, product safety, auditing production practices, etc.) as part of our general approach.

Additionally, the investment teams seek to identify relevant and material factors as part of ex-ante analysis of ESG profiles and ex-post assessment of the sustainability trajectory of the issuer and/or industry. Based on dependencies and major impacts, the following elements may be considered: controversies (type, severity and recurrence), externalities (toxic/carbon emissions, water consumption, destruction of biodiversity, accidents, dismissals, strikes, precarious contracts, fraud, etc.) and contributions (Taxonomy alignment, participation in the United Nations sustainable development goals (SDG), alignment with the Paris Agreement temperature goal, etc.).

The fund seeks to contribute to and promote the following United Nations Sustainable Development Goals: affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), responsible consumption and production (SDG 12), life on land (SDG 15), and partnership for the goals (SDG 17).

Sustainability indicators are used to verify how the environmental or social characteristics promoted by the financial product are attained.

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

The sustainability indicators used to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile (ESG rating, rating trends and sector distribution)
- Carbon intensity (divergence from indices, sector contribution and identification of main contributors)
- Transition profile (reduction targets, green share, categories of activities in transition, etc.)
- Governance: representation of women on the board of directors
- Sustainable Development Goals (SDG): percentage aligned with the SDG

In particular, and in addition to the above for each SDG to which the fund seeks to contribute, three quantitative indicators have been selected: a positive indicator, a negative indicator and a forward-looking indicator:

- Affordable and clean energy (SDG 7):
 o Use of renewable energy (gigawatt hour)
 o Involvement in activities linked to fossil fuels (percentage of turnover)
 o Clean/renewable energy use policy
- Decent work and economic growth (SDG 8):
 o Number of women in management roles
 o Staff turnover
 o Score for consideration and management of matters linked to human capital, such as health and safety at work, applying labour standards to the value chain, and policies for developing human capital through training and employee equity incentive plans
- Responsible consumption and production (SDG 12):
 o Environmental and/or social policy and/or procedure covering the entire value chain
 o Adherence to and compliance with the fundamental principles of the International Labour Organization
 o Score for consideration and management of ESG matters by the leadership team
- Life on land (SDG 15):
 o Biodiversity policy and/or procedures
 o Water intensity (m^3 of water used/turnover in dollars or euro)
 o Score for consideration and management of matters linked to natural resources (managing water consumption, use of ecological materials, policies and procedures for considering and preserving ecosystems, etc.)
- Partnership for the goals (SDG 17):
 o Alignment with the United Nations Global Compact framework
 o Number of controversies involving serious cases of commercial fraud (anti-competitive practices, price gouging, controversial business practices and insider trading)
 o Link between director remuneration mechanisms and the sustainable development goals

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?

A sustainable investment may be assessed with respect to three pillars: (i) **contributing to an environmental or social objective**, (ii) doing so without doing significant harm and (iii) applying good governance practices.
Our definition is based on data supplied by our service provider MSCI ESG Research.
Further details are available in the document “Definition of sustainable investments” which can be found on our website: https://am.fr.rothschildandco.com/en/regulatory-information/

As regards corporate issuers, our approach to sustainable investment takes into account:

- Companies' general positive contribution through contributing revenue, i.e. revenue linked to activities with a positive impact on the environment or society (clean energy, energy efficiency, access to care, etc.) or to issuance of sustainable debt instruments (green, social or sustainable bonds);
- Contribution to environmental objectives, such as targets for reducing emissions in line with the Paris Agreement or reducing water use;
- Contribution to social objectives, through alignment with United Nations Sustainable Development Goal 5 (gender equality), 8 (decent work and economic growth) or 10 (reduced inequalities).

As regards public issuers, our approach to sustainable investment takes into account:

- States' general positive contribution through issuance of sustainable debt instruments (green, social or sustainable bonds);
- Positive environmental contribution: Signatory to the Paris Agreement or the United Nations Convention on Biological Diversity;
- Positive social contribution: Performance with respect to equality (Gini index) and freedom of the press (Freedom House).

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?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

In order to be classed as sustainable, an investment must do no significant harm to the various environmental or social objectives to which it intends to contribute.
Rothschild & Co Asset Management Europe has defined a "do no significant harm" ("DNSH") procedure to ensure that the sustainable investments of a financial product with a sustainable investment objective do no significant harm to any of its environmental or social objectives. This procedure includes:

- Standard sector exclusions which reduce the product's exposure to social and environmental controversies;
- Consideration of the mandatory principal adverse impacts (PAIs) of these investments on sustainability factors.

We also use ESG ratings as part of our approach, as a minimal safeguard in relation to overall sustainability performance.

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

Consideration of mandatory PAIs is carried out as part of the various elements within the Management Company's sustainable approach: as part of the Management Company's common exclusion framework, the combined ESG and financial research methodology, the sustainability requirements at portfolio level, the engagement and controversies management policy, and the measurement and steering of ESG performance indicators.
We pay particular attention to companies' statements about PAIs 1, 2, 3, 10, 13 and 14, and to PAI 16 for public issuers.

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

As per our definition of a sustainable investment for corporate issuers, we check to ensure that there are no violations of the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. To that end, we use an overall controversy indicator measuring the company's past and current involvement in violations of international standards. The regulatory frameworks considered include the following: the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Business and Human Rights, the Conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

Moreover, for all the Management Company's investments, we exclude companies suspected of violating the ten fundamental principles of the United Nations Global Compact (UNGC).
In addition to the above, the fund applies these standards-based exclusions at the level of the portfolio as a whole: the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the Fundamental Conventions of the International Labour Organization.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and which 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.



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

☒ Yes, ☐ No

Rothschild & Co Asset Management Europe has identified the principal adverse impacts (PAI) on sustainability factors on which we intend to focus our efforts and resources in order to deploy our responsible investment approach:

Corporate issuers:
o Climate change
- Greenhouse gas intensity and emissions, scopes 1 and 2 (PAI 1 & 3)
- Involvement in fossil fuels (PAI 4)
- Exposure to issuers that are not committed to adhering to the Paris Agreement (optional climate PAI 4)

o Human rights, business ethics and respect for human dignity
- Violation of fundamental ethical standards (PAI 10)
- Gender diversity within governance bodies (PAI 13)
- Involvement in controversial weapons (PAI 14)
- Exposure to issuers with fragile anti-corruption processes (optional social/human rights PAI 15)

Sovereign issuers:
o Human rights, business ethics and respect for human dignity
- Exposure to countries implicated in human rights violations and subject to related sanctions (PAI 16)

As part of taking mandatory PAIs into account and defining our optional and priority PAIs, we relied on methodology and data from our external service provider, MSCI ESG Research.
From an operational standpoint, adverse impacts are taken into account in every aspect of our sustainability approach, including the exclusion policy, the analysis and selection process using ESG criteria, the engagement system and ESG reporting. For this product, we produce annual reports on all mandatory PAIs and optional PAIs chosen by the Management Company.

Our Policy for taking into account the principal adverse impacts in sustainability is available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

To supplement the above, and in strict accordance with the investment strategy, the financial product considers:
- Emissions to water (Climate PAI 8)
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (Social PAI 11)
- GHG intensity for sovereigns (Climate PAI 15)



What investment strategy does this financial product follow?

The fund may invest (i) between 50% and 100% in money market instruments and/or fixed-income products with fixed or variable rates, with a maximum of 10% of the net assets ("NA") in convertible bonds and a minimum of 10% of NA in fixed-income products with a credit rating equivalent to investment grade. The fund may invest (a) up to 10% of NA in contingent convertible bonds, (b) up to 10% and 30% of NA in unrated and speculative-grade securities, respectively, and (c) up to 100% of NA in callable and puttable bonds; (ii) between 0% and 50% in equities from OECD countries in any geographical region and with any market capitalisation, with up to 10% in the equities of small caps (including micro caps); and (iii) up to 10% in funds (including listed funds/ETFs) that implement an SRI strategy and have received, or are in the process of receiving, a label (excluding treasury funds).
Please refer to the prospectus for further information.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

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?

Adherence to our common exclusion framework
o Regulatory exclusions: controversial weapons and international sanctions
o Discretionary exclusions: United Nations Global Compact (UNGC) and thermal coal

Integrating material ESG criteria into the analysis process
o An assessment combining financial and ESG criteria: the integration of ESG criteria reflects the analysis process applied by each management team; it may be applied at sector or issuer level, and at management company and/or fund level, depending on the asset class in question.

Adherence to sustainability requirements at portfolio level
o Target ESG score of at least BBB
o Minimum level of Taxonomy-aligned and sustainable investments
o Minimal coverage of ESG ratings (90%)
o Exclusion of the lowest-scoring 20% of issuers with respect to ESG from the investment universe;

o The following standards-based exclusions: the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the Fundamental Conventions of the International Labour Organization;
o Exclusion of issuers belonging to the following "controversial" sectors: weapons, tobacco, coal, oil, unconventional gas, conventional oil and gas and the generation of electricity.
More information on the fund and its investment strategy can be found in the Transparency Code (Direct Management), which is available on the website.

Active engagement
o Dialogue primarily focused around our top-priority themes (climate transition, inclusion and fair transition, etc.) and controversies,
o A responsible voting policy for the entire equity scope,
o Active participation in multiple industry working groups (ADEME, Finance for Tomorrow, AFG, Climate Action 100+, etc.) on the strategies implemented in the portfolios (impact, biodiversity, fossil fuel, fair transition, etc.)

The ESG ratings mainly come from a data provider called MSCI ESG Research, which rates companies from CCC to AAA (AAA being the best rating).
ESG monitoring is ongoing, since ESG data is fully integrated into our operational systems.
Our entire value chain (compliance, risk, investment management and reporting teams) is covered by the same ESG data flow (updated on a quarterly basis), with ESG constraints and requirements encoded into every system. This allows us to monitor ESG data on a daily basis and in real time.
Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. Specific sustainability constraints and objectives at product level are the responsibility of the risk department.
The management teams have access to ESG data and can monitor their sustainability constraints via their Bloomberg portal every day. The impact of portfolio movements on sustainability requirements are continuously assessed by the investment managers as part of the portfolio allocation process.
Furthermore, regular meetings of the investment committee offer an opportunity to assess the sustainability risks and ESG issues associated with specific issuers and/or portfolios.
Lastly, alerts covering rating changes and ESG controversies are implemented by MSCI ESG Research for the investment teams and control departments, and analysts monitor the latest news. Details of the controversy monitoring process are available in the PAI Policy.
ESG reports are produced using the same ESG data flow, then validated by the investment teams.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The exclusions listed below reduce the initial universe and ensure a minimum selectivity rate of 20%; this rate may be higher depending on the investment universe, sectors and strategy of the financial product:
o Regulatory exclusions, coupled with our Management Company's discretionary exclusions;
o Exclusion of the lowest-scoring 20% of issuers with respect to ESG from the initial investment universe;
o The following standards-based exclusions: the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the Fundamental Conventions of the International Labour Organization;
o Exclusion of issuers belonging to the following "controversial" sectors: weapons, tobacco, coal, oil, unconventional gas, conventional oil and gas and the generation of electricity.

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions or implicated in violations of the United Nations Global Compact are excluded from our initial investment universes for all our investment vehicles.

Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), the degree of independence and diversity on the board of directors, controversies and the history of senior management and representatives of the board of directors.

In the context of MSCI ESG Research's ESG ratings, the governance pillar is considered material for all sectors and has a minimum weighting of 33% when calculating the final ESG score for every issuer. This governance pillar is based on two sub-themes: Corporate governance (structure and control, board of directors, remuneration and accounting) and corporate behaviour (business ethics and tax transparency). The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance.

We see assessing good governance practices as an ongoing process, and the investment teams are encouraged to engage directly with companies to obtain additional information, raise concerns and/or resolve issues linked to the governance practices identified or associated controversies.

What is the asset allocation planned for this financial product?

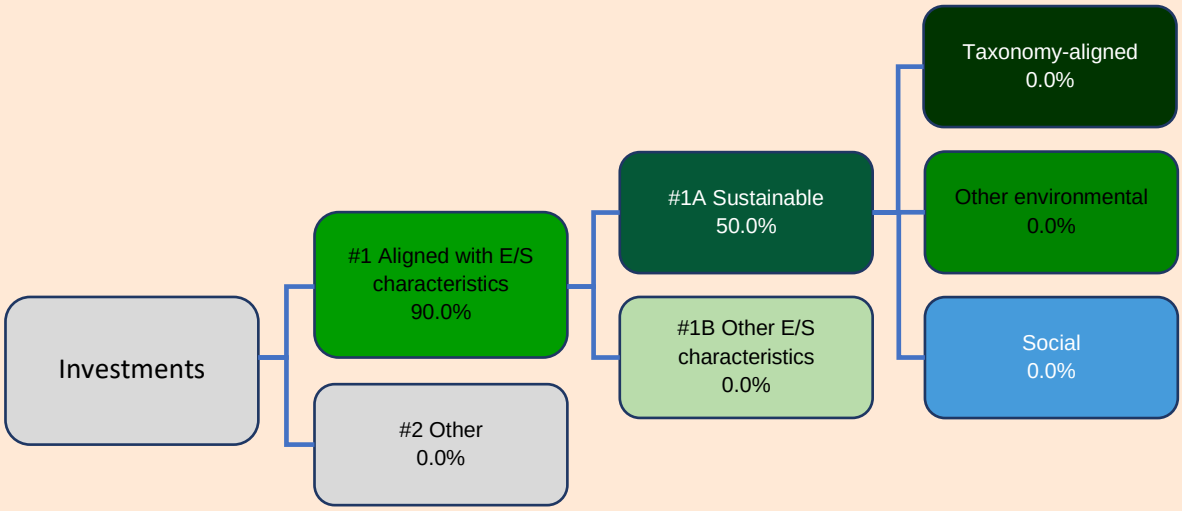
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies;

- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;

- operational expenditure (OpEx) reflecting green operational activities of investee companies.



#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 category **#1 Aligned with E/S characteristics** covers:

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

While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. The asset allocation figures presented above are pre-contractual minimums expressed as a percentage of the net assets; they are not a forecast of a target allocation. For information on the percentages achieved, please refer to the annual report.

The underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities represent a minimum alignment commitment of 0% of investments.

A share of the financial product's net assets may be invested in instruments that do not promote environmental or social characteristics (cash, funds or derivatives). They provide technical support and uphold the fund's financial objective (hedging, movements of liabilities, etc.). Minimum ESG safeguards are applied in accordance with our sustainability approach. Details are provided in the response to the question on "other" investments below.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Interest rate and currency derivatives neither contribute to nor affect the environmental and social characteristics promoted by the financial product. Derivatives on other asset classes do not contribute to the attainment of the environmental and social characteristics, but may affect them. For the purposes of transparency, derivatives are not taken into account in the ratios presented above.

- For exposure, the fund may use derivatives whose underlying have been assessed from an ESG perspective, in accordance with the fund's sustainability approach;
- All counterparties to over-the-counter instruments will also be subject to ESG analysis.

Further information is available in the fund's Transparency Code.

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

The applicable criteria for **fossil gas** to be considered aligned with the EU Taxonomy include restrictions on emissions and a transition to renewable energy sources or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive rules regarding nuclear safety and waste management.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

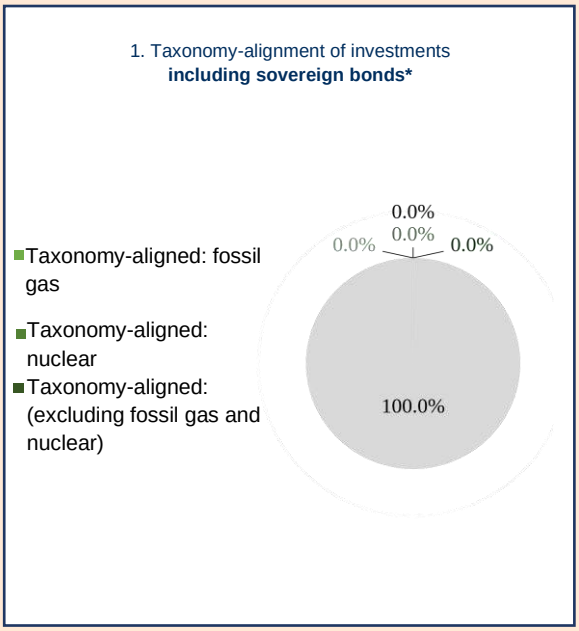
Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy[1]?

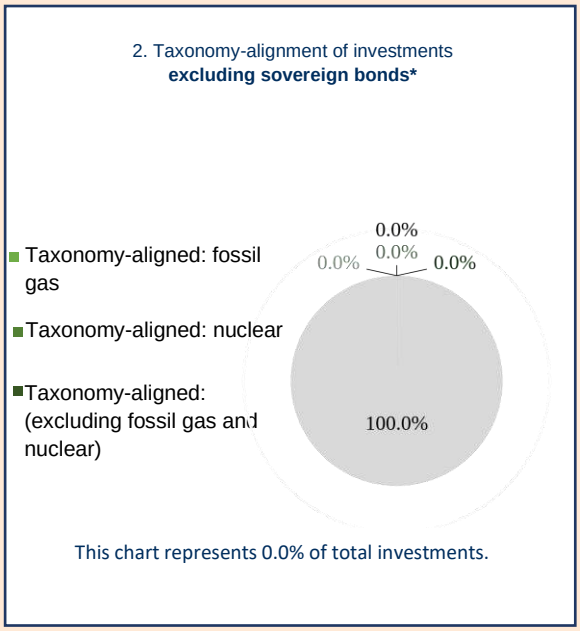
☒ Yes

☒ In fossil gas ☒ In nuclear energy

☐ No

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures

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

The minimum share in enabling and transitional activities is 0%.

[1] Activities related to nuclear and/or fossil gas related activities will only be considered Taxonomy-aligned if they contribute to climate change mitigation and do no significant harm to any of the objectives of the EU Taxonomy – see the explanatory note in the left-hand margin. All criteria applicable to economic activities in the nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

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

Are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Within the minimum invested in sustainable investments, the minimum share of investments with an environmental objective that are not aligned with the Taxonomy is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

What is the minimum share of socially sustainable investments?

Within the minimum invested in sustainable investments, the minimum share of investments with a social objective is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

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

A share of the financial product's net assets may be invested in securities that are not analysed with respect to ESG criteria. However, all investments adhere to the Management Company's common exclusion framework, guaranteeing a baseline level of compliance with ESG principles.
The securities held in the portfolio, in accordance with the allocation levels stated in the prospectus, serve to further the financial product's financial investment objective.
The financial product may invest up to 10% of its net assets in cash on an ancillary basis. We take the ESG ratings of the depositary bank into account. Cash may also be invested in money market funds managed by our management company, in accordance with our ESG policy and where we have complete transparency.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.



Where can I find more product specific information online?

Further details on the financial product are available in the prospectus, the ESG policy and the policies for taking into account PAI and sustainability risks, which are available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: R-co Conviction Club

Legal entity identifier: 969500XDF5VOZBJLPG81

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

●○ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: [N/A]

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: N/A

☒ 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 30.0% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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



Through our work and MSCI ESG Research, we consider a broad spectrum of criteria relating to the E pillar (physical risks linked to climate change, water stress, waste management, etc.) and S pillar (staff training, product safety, auditing production practices, etc.) as part of our general approach.

Additionally, the investment teams seek to identify relevant and material factors as part of ex-ante analysis of ESG profiles and ex-post assessment of the sustainability trajectory of the issuer and/or industry. Based on dependencies and major impacts, the following elements may be considered: controversies (type, severity and recurrence), externalities (toxic/carbon emissions, water consumption, destruction of biodiversity, accidents, dismissals, strikes, precarious contracts, fraud, etc.) and contributions (Taxonomy alignment, participation in the United Nations sustainable development goals (SDG), alignment with the Paris Agreement temperature goal, etc.).

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- Transition profile (reduction targets, green share, categories of activities in transition, etc.)
- Governance: representation of women on the board of directors
- Sustainable Development Goals (SDG): percentage aligned with the SDG

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?

A sustainable investment may be assessed with respect to three pillars: (i) **contributing to an environmental or social objective**, (ii) doing so without doing significant harm and (iii) applying good governance practices.
Our definition is based on data supplied by our service provider MSCI ESG Research.
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- Contribution to environmental objectives, such as targets for reducing emissions in line with the Paris Agreement or reducing water use;
- Contribution to social objectives, through alignment with United Nations Sustainable Development Goal 5 (gender equality), 8 (decent work and economic growth) or 10 (reduced inequalities).

As regards public issuers, our approach to sustainable investment takes into account:

- States' general positive contribution through issuance of sustainable debt instruments (green, social or sustainable bonds);
- Positive environmental contribution: Signatory to the Paris Agreement or the United Nations Convention on Biological Diversity;
- Positive social contribution: Performance with respect to equality (Gini index) and freedom of the press (Freedom House).

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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?

In order to be classed as sustainable, an investment must do no significant harm to the various environmental or social objectives to which it intends to contribute.
Rothschild & Co Asset Management Europe has defined a "do no significant harm" ("DNSH") procedure to ensure that the sustainable investments of a financial product with a sustainable investment objective do no significant harm to any of its environmental or social objectives. This procedure includes:

- Standard sector exclusions which reduce the product's exposure to social and environmental controversies;

- Consideration of the mandatory principal adverse impacts (PAIs) of these investments on sustainability factors.

We also use ESG ratings as part of our approach, as a minimal safeguard in relation to overall sustainability performance.

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

Consideration of mandatory PAIs is carried out as part of the various elements within the Management Company's sustainable approach: as part of the Management Company's common exclusion framework, the combined ESG and financial research methodology, the sustainability requirements at portfolio level, the engagement and controversies management policy, and the measurement and steering of ESG performance indicators.
We pay particular attention to companies' statements about PAIs 1, 2, 3, 10, 13 and 14, and to PAI 16 for public issuers.

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

As per our definition of a sustainable investment for corporate issuers, we check to ensure that there are no violations of the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. To that end, we use an overall controversy indicator measuring the company's past and current involvement in violations of international standards. The regulatory frameworks considered include the following: the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Business and Human Rights, the Conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

Moreover, for all the Management Company's investments, we exclude companies suspected of violating the ten fundamental principles of the United Nations Global Compact (UNGC).

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and which 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.



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

☒ Yes, ☐ No

Rothschild & Co Asset Management Europe has identified the principal adverse impacts (PAI) on sustainability factors on which we intend to focus our efforts and resources in order to deploy our responsible investment approach:

Corporate issuers:
o Climate change
- Greenhouse gas intensity and emissions, scopes 1 and 2 (PAI 1 & 3)
- Involvement in fossil fuels (PAI 4)
- Exposure to issuers that are not committed to adhering to the Paris Agreement (optional climate PAI 4)

o Human rights, business ethics and respect for human dignity
- Violation of fundamental ethical standards (PAI 10)
- Gender diversity within governance bodies (PAI 13)
- Involvement in controversial weapons (PAI 14)
- Exposure to issuers with fragile anti-corruption processes (optional social/human rights PAI 15)

Sovereign issuers:
o Human rights, business ethics and respect for human dignity
- Exposure to countries implicated in human rights violations and subject to related sanctions (PAI 16)

As part of taking mandatory PAIs into account and defining our optional and priority PAIs, we relied on methodology and data from our external service provider, MSCI ESG Research.
From an operational standpoint, adverse impacts are taken into account in every aspect of our sustainability approach, including the exclusion policy, the analysis and selection process using ESG criteria, the engagement system and ESG reporting. For this product, we produce annual reports on all mandatory PAIs and optional PAIs chosen by the Management Company.

Our Policy for taking into account the principal adverse impacts in sustainability is available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/



What investment strategy does this financial product follow?

The sub-fund may invest:
- between 0% and 100% in equity products from any geographical region, industrial sector and market capitalisation, with a maximum of 20% in small caps (including micro caps) and a maximum of 20% in equity products from non-OECD countries (including emerging markets);
- between 0% and 100% of the net assets in fixed-income products (public debt/corporate debt) of any maturity, currency and credit rating, of which up to 30% may be made up of speculative-grade (i.e. high yield) bonds. The sub-fund's maximum exposure to convertible bonds is 20%. Moreover, it may invest up to 20% of its net assets in contingent convertible bonds and up to 70% of its net assets in callable/puttable bonds; and
- between 0% and 10% in funds (including listed funds/ETFs).

Please refer to the prospectus for further information.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

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?

Adherence to our common exclusion framework
o Regulatory exclusions: controversial weapons and international sanctions
o Discretionary exclusions: United Nations Global Compact (UNGC) and thermal coal

Integrating material ESG criteria into the analysis process

o An assessment combining financial and ESG criteria: the integration of ESG criteria reflects the analysis process applied by each management team; it may be applied at sector or issuer level, and at management company and/or fund level, depending on the asset class in question.

Adherence to sustainability requirements at portfolio level

o Target ESG score of at least BBB

o Minimum level of Taxonomy-aligned and sustainable investments

o Minimal coverage of ESG ratings:

The percent share of positions analysed on the basis of non-financial criteria will be permanently higher than:

i. 90% of the portion of net assets invested in equities issued by companies with a market capitalisation of over EUR 10 billion that have their registered office in a developed country, debt securities and money market instruments with an investment grade credit rating, and sovereign debt issued by developed countries;

ii. 75% of the portion of net assets invested in equities issued by companies with a market capitalisation of less than EUR 10 billion or with their registered office located in an emerging country, debt securities and money market instruments with a high-yield credit rating, and sovereign debt issued by emerging countries.

o The rating of the portfolio, with regard to non-financial criteria, is higher than the rating of the initial investment universe

Active engagement

o Dialogue primarily focused around our top-priority themes (climate transition, inclusion and fair transition, etc.) and controversies,

o A responsible voting policy for the entire equity scope,

o Active participation in multiple industry working groups (ADEME, Finance for Tomorrow, AFG, Climate Action 100+, etc.) on the strategies implemented in the portfolios (impact, biodiversity, fossil fuel, fair transition, etc.)

The ESG ratings mainly come from a data provider called MSCI ESG Research, which rates companies from CCC to AAA (AAA being the best rating).

ESG monitoring is ongoing, since ESG data is fully integrated into our operational systems.

Our entire value chain (compliance, risk, investment management and reporting teams) is covered by the same ESG data flow (updated on a quarterly basis), with ESG constraints and requirements encoded into every system. This allows us to monitor ESG data on a daily basis and in real time.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. Specific sustainability constraints and objectives at product level are the responsibility of the risk department.

The management teams have access to ESG data and can monitor their sustainability constraints via their Bloomberg portal every day. The impact of portfolio movements on sustainability requirements are continuously assessed by the investment managers as part of the portfolio allocation process.

Furthermore, regular meetings of the investment committee offer an opportunity to assess the sustainability risks and ESG issues associated with specific issuers and/or portfolios.

Lastly, alerts covering rating changes and ESG controversies are implemented by MSCI ESG Research for the investment teams and control departments, and analysts monitor the latest news. Details of the controversy monitoring process are available in the PAI Policy.

ESG reports are produced using the same ESG data flow, then validated by the investment teams.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The initial investment universe is not reduced using a fixed selectivity rate, determined upstream of the investment process. However, the investment universe is reduced on the basis of regulatory exclusions, as well as our Management Company's discretionary exclusions.

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions or implicated in violations of the United Nations Global Compact are excluded from our initial investment universes for all our investment vehicles.

Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), the degree of independence and diversity on the board of directors, controversies and the history of senior management and representatives of the board of directors.

In the context of MSCI ESG Research's ESG ratings, the governance pillar is considered material for all sectors and has a minimum weighting of 33% when calculating the final ESG score for every issuer. This governance pillar is based on two sub-themes: Corporate governance (structure and control, board of directors, remuneration and accounting) and corporate behaviour (business ethics and tax transparency). The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance.

We see assessing good governance practices as an ongoing process, and the investment teams are encouraged to engage directly with companies to obtain additional information, raise concerns and/or resolve issues linked to the governance practices identified or associated controversies.

What is the asset allocation planned for this financial product?

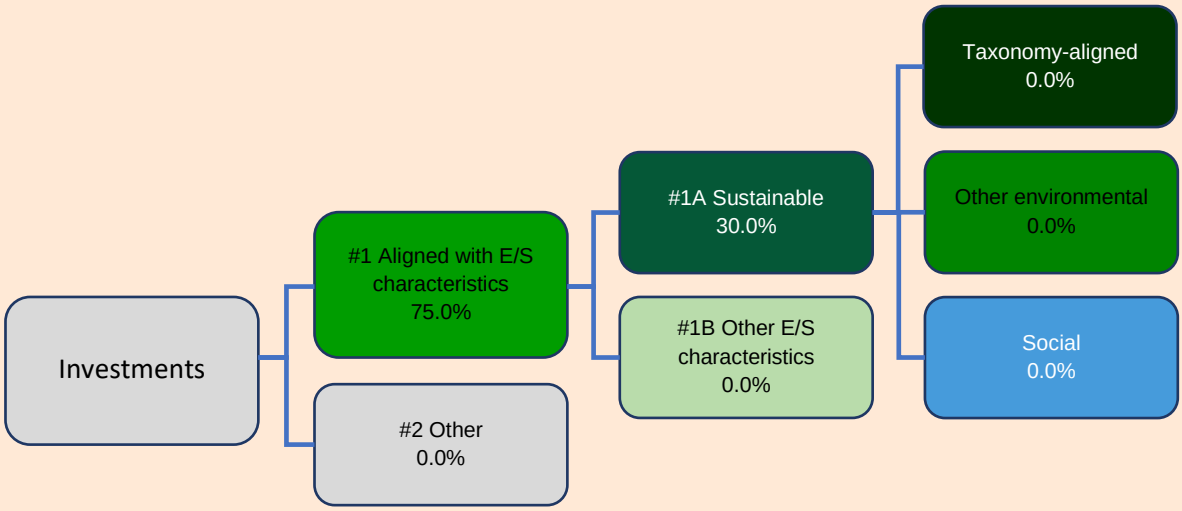
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies;

- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;

- operational expenditure (OpEx) reflecting green operational activities of investee companies.



#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 category **#1 Aligned with E/S characteristics** covers:

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

While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. The asset allocation figures presented above are pre-contractual minimums expressed as a percentage of the net assets; they are not a forecast of a target allocation. For information on the percentages achieved, please refer to the annual report.

The underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities represent a minimum alignment commitment of 0% of investments.

A share of the financial product's net assets may be invested in instruments that do not promote environmental or social characteristics (cash, funds or derivatives). They provide technical support and uphold the fund's financial objective (hedging, movements of liabilities, etc.). Minimum ESG safeguards are applied in accordance with our sustainability approach. Details are provided in the response to the question on "other" investments below.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Interest rate and currency derivatives neither contribute to nor affect the environmental and social characteristics promoted by the financial product. Derivatives on other asset classes do not contribute to the attainment of the environmental and social characteristics, but may affect them. For the purposes of transparency, derivatives are not taken into account in the ratios presented above.

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

The applicable criteria for **fossil gas** to be considered aligned with the EU Taxonomy include restrictions on emissions and a transition to renewable energy sources or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive rules regarding nuclear safety and waste management.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

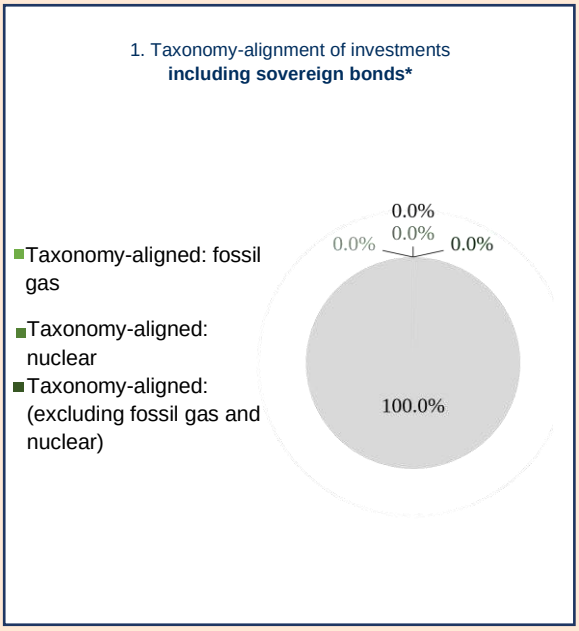
Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy[1]?

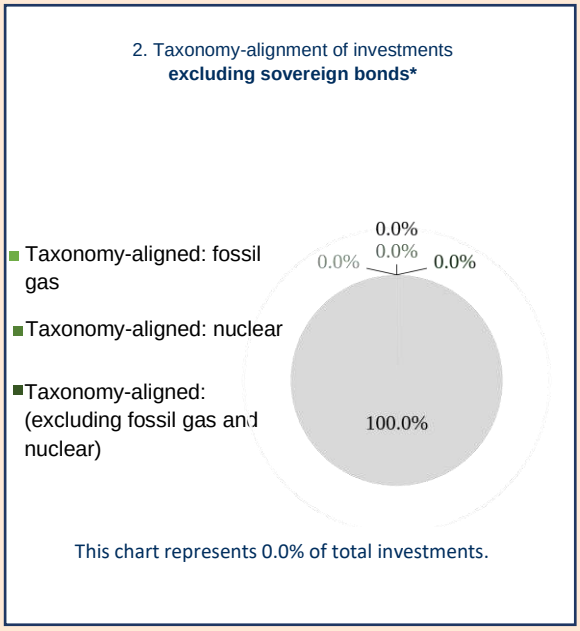
☒ Yes

☒ In fossil gas ☒ In nuclear energy

☐ No

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, “sovereign bonds” consist of all sovereign exposures

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

The minimum share in enabling and transitional activities is 0%.

[1] Activities related to nuclear and/or fossil gas related activities will only be considered Taxonomy-aligned if they contribute to climate change mitigation and do no significant harm to any of the objectives of the EU Taxonomy – see the explanatory note in the left-hand margin. All criteria applicable to economic activities in the nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

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

Are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Within the minimum invested in sustainable investments, the minimum share of investments with an environmental objective that are not aligned with the Taxonomy is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

What is the minimum share of socially sustainable investments?

Within the minimum invested in sustainable investments, the minimum share of investments with a social objective is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

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

A share of the financial product's net assets may be invested in securities that are not analysed with respect to ESG criteria. However, all investments adhere to the Management Company's common exclusion framework, guaranteeing a baseline level of compliance with ESG principles.
The securities held in the portfolio, in accordance with the allocation levels stated in the prospectus, serve to further the financial product's financial investment objective.
The financial product may invest up to 10% of its net assets in cash on an ancillary basis. We take the ESG ratings of the depositary bank into account. Cash may also be invested in money market funds managed by our management company, in accordance with our ESG policy and where we have complete transparency.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.



Where can I find more product specific information online?

Further details on the financial product are available in the prospectus, the ESG policy and the policies for taking into account PAI and sustainability risks, which are available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: R-co Valor

Legal entity identifier: 9695005DN5QLA24VMP19

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

●○ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: [N/A]

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective**: N/A

☒ 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 30.0% of sustainable investments

- ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☒ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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



Through our work and MSCI ESG Research, we consider a broad spectrum of criteria relating to the E pillar (physical risks linked to climate change, water stress, waste management, etc.) and S pillar (staff training, product safety, auditing production practices, etc.) as part of our general approach.

Additionally, the investment teams seek to identify relevant and material factors as part of ex-ante analysis of ESG profiles and ex-post assessment of the sustainability trajectory of the issuer and/or industry. Based on dependencies and major impacts, the following elements may be considered: controversies (type, severity and recurrence), externalities (toxic/carbon emissions, water consumption, destruction of biodiversity, accidents, dismissals, strikes, precarious contracts, fraud, etc.) and contributions (Taxonomy alignment, participation in the United Nations sustainable development goals (SDG), alignment with the Paris Agreement temperature goal, etc.).

Sustainability indicators are used to verify how the environmental or social characteristics promoted by the financial product are attained.

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

The sustainability indicators used to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile (ESG rating, rating trends and sector distribution)
- Carbon intensity (divergence from indices, sector contribution and identification of main contributors)
- Transition profile (reduction targets, green share, categories of activities in transition, etc.)
- Governance: representation of women on the board of directors
- Sustainable Development Goals (SDG): percentage aligned with the SDG

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?

A sustainable investment may be assessed with respect to three pillars: (i) **contributing to an environmental or social objective**, (ii) doing so without doing significant harm and (iii) applying good governance practices.
Our definition is based on data supplied by our service provider MSCI ESG Research.
Further details are available in the document "Definition of sustainable investments" which can be found on our website: https://am.fr.rothschildandco.com/en/regulatory-information/

As regards corporate issuers, our approach to sustainable investment takes into account:

- Companies' general positive contribution through contributing revenue, i.e. revenue linked to activities with a positive impact on the environment or society (clean energy, energy efficiency, access to care, etc.) or to issuance of sustainable debt instruments (green, social or sustainable bonds);
- Contribution to environmental objectives, such as targets for reducing emissions in line with the Paris Agreement or reducing water use;
- Contribution to social objectives, through alignment with United Nations Sustainable Development Goal 5 (gender equality), 8 (decent work and economic growth) or 10 (reduced inequalities).

As regards public issuers, our approach to sustainable investment takes into account:

- States' general positive contribution through issuance of sustainable debt instruments (green, social or sustainable bonds);
- Positive environmental contribution: Signatory to the Paris Agreement or the United Nations Convention on Biological Diversity;
- Positive social contribution: Performance with respect to equality (Gini index) and freedom of the press (Freedom House).

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?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

In order to be classed as sustainable, an investment must do no significant harm to the various environmental or social objectives to which it intends to contribute.
Rothschild & Co Asset Management Europe has defined a "do no significant harm" ("DNSH") procedure to ensure that the sustainable investments of a financial product with a sustainable investment objective do no significant harm to any of its environmental or social objectives. This procedure includes:

- Standard sector exclusions which reduce the product's exposure to social and environmental controversies;
- Consideration of the mandatory principal adverse impacts (PAIs) of these investments on sustainability factors.

We also use ESG ratings as part of our approach, as a minimal safeguard in relation to overall sustainability performance.

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

Consideration of mandatory PAIs is carried out as part of the various elements within the Management Company's sustainable approach: as part of the Management Company's common exclusion framework, the combined ESG and financial research methodology, the sustainability requirements at portfolio level, the engagement and controversies management policy, and the measurement and steering of ESG performance indicators.
We pay particular attention to companies' statements about PAIs 1, 2, 3, 10, 13 and 14, and to PAI 16 for public issuers.

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

As per our definition of a sustainable investment for corporate issuers, we check to ensure that there are no violations of the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. To that end, we use an overall controversy indicator measuring the company's past and current involvement in violations of international standards. The regulatory frameworks considered include the following: the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Business and Human Rights, the Conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

Moreover, for all the Management Company's investments, we exclude companies suspected of violating the ten fundamental principles of the United Nations Global Compact (UNGC).

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and which 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.



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

☒ Yes, ☐ No

Rothschild & Co Asset Management Europe has identified the principal adverse impacts (PAI) on sustainability factors on which we intend to focus our efforts and resources in order to deploy our responsible investment approach:

Corporate issuers:
o Climate change

- Greenhouse gas intensity and emissions, scopes 1 and 2 (PAI 1 & 3)
- Involvement in fossil fuels (PAI 4)
- Exposure to issuers that are not committed to adhering to the Paris Agreement (optional climate PAI 4)

o Human rights, business ethics and respect for human dignity
- Violation of fundamental ethical standards (PAI 10)
- Gender diversity within governance bodies (PAI 13)
- Involvement in controversial weapons (PAI 14)
- Exposure to issuers with fragile anti-corruption processes (optional social/human rights PAI 15)

Sovereign issuers:
o Human rights, business ethics and respect for human dignity
- Exposure to countries implicated in human rights violations and subject to related sanctions (PAI 16)

As part of taking mandatory PAIs into account and defining our optional and priority PAIs, we relied on methodology and data from our external service provider, MSCI ESG Research.
From an operational standpoint, adverse impacts are taken into account in every aspect of our sustainability approach, including the exclusion policy, the analysis and selection process using ESG criteria, the engagement system and ESG reporting. For this product, we produce annual reports on all mandatory PAIs and optional PAIs chosen by the Management Company.

Our Policy for taking into account the principal adverse impacts in sustainability is available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/



What investment strategy does this financial product follow?

The SICAV may invest, depending on market trends:
- between 0% and 100% in the equities of companies with any market capitalisation (up to 20% in small caps, including micro caps) from any geographical region (and up to 100% in equities from non-OECD countries, including emerging countries);
- between 0% and 100% in bonds with up to 20% in convertible bonds and up to 100% in callable and puttable bonds issued by public and/or corporate issuers with any rating; up to 20% of the portfolio may be invested in speculative-grade (high-yield) bonds and up to 10% in unrated bonds; and lastly
- between 0% and 10% in UCITS.

Up to 100% of the SICAV's assets may be exposed, directly and indirectly, to non-OECD countries including emerging markets, and up to 20% may be exposed to the risks associated with small caps, including micro caps.
Please refer to the prospectus for further information.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

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?

Adherence to our common exclusion framework
o Regulatory exclusions: controversial weapons and international sanctions
o Discretionary exclusions: United Nations Global Compact (UNGC) and thermal coal

Integrating material ESG criteria into the analysis process
o An assessment combining financial and ESG criteria: the integration of ESG criteria reflects the analysis process applied by each management team; it may be applied at sector or issuer level, and at management company and/or fund level, depending on the asset class in question.

Adherence to sustainability requirements at portfolio level

o Target ESG score of at least BBB

o Minimum level of Taxonomy-aligned and sustainable investments

o Minimal coverage of ESG ratings:

The percent share of positions analysed on the basis of non-financial criteria will be permanently higher than:

- 90% of the portion of net assets invested in equities issued by companies with a market capitalisation of over EUR 10 billion that have their registered office in a developed country, debt securities and money market instruments with an investment grade credit rating, and sovereign debt issued by developed countries;
- 75% of the portion of net assets invested in equities issued by companies with a market capitalisation of less than EUR 10 billion or with their registered office located in an emerging country, debt securities and money market instruments with a high-yield credit rating, and sovereign debt issued by emerging countries.

o The rating of the portfolio, with regard to non-financial criteria, is higher than the rating of the initial investment universe.

Active engagement

o Dialogue primarily focused around our top-priority themes (climate transition, inclusion and fair transition, etc.) and controversies,

o A responsible voting policy for the entire equity scope,

o Active participation in multiple industry working groups (ADEME, Finance for Tomorrow, AFG, Climate Action 100+, etc.) on the strategies implemented in the portfolios (impact, biodiversity, fossil fuel, fair transition, etc.)

The ESG ratings mainly come from a data provider called MSCI ESG Research, which rates companies from CCC to AAA (AAA being the best rating).

ESG monitoring is ongoing, since ESG data is fully integrated into our operational systems.

Our entire value chain (compliance, risk, investment management and reporting teams) is covered by the same ESG data flow (updated on a quarterly basis), with ESG constraints and requirements encoded into every system. This allows us to monitor ESG data on a daily basis and in real time.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. Specific sustainability constraints and objectives at product level are the responsibility of the risk department.

The management teams have access to ESG data and can monitor their sustainability constraints via their Bloomberg portal every day. The impact of portfolio movements on sustainability requirements are continuously assessed by the investment managers as part of the portfolio allocation process.

Furthermore, regular meetings of the investment committee offer an opportunity to assess the sustainability risks and ESG issues associated with specific issuers and/or portfolios.

Lastly, alerts covering rating changes and ESG controversies are implemented by MSCI ESG Research for the investment teams and control departments, and analysts monitor the latest news. Details of the controversy monitoring process are available in the PAI Policy.

ESG reports are produced using the same ESG data flow, then validated by the investment teams.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The initial investment universe is not reduced using a fixed selectivity rate, determined upstream of the investment process. However, the investment universe is reduced on the basis of regulatory exclusions, as well as our Management Company's discretionary exclusions.

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

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions or implicated in violations of the United Nations Global Compact are excluded from our initial investment universes for all our investment vehicles.

Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), the degree of independence and diversity on the board of directors, controversies and the history of senior management and representatives of the board of directors.

In the context of MSCI ESG Research's ESG ratings, the governance pillar is considered material for all sectors and has a minimum weighting of 33% when calculating the final ESG score for every issuer. This governance pillar is based on two sub-themes: Corporate governance (structure and control, board of directors, remuneration and accounting) and corporate behaviour (business ethics and tax transparency). The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance.

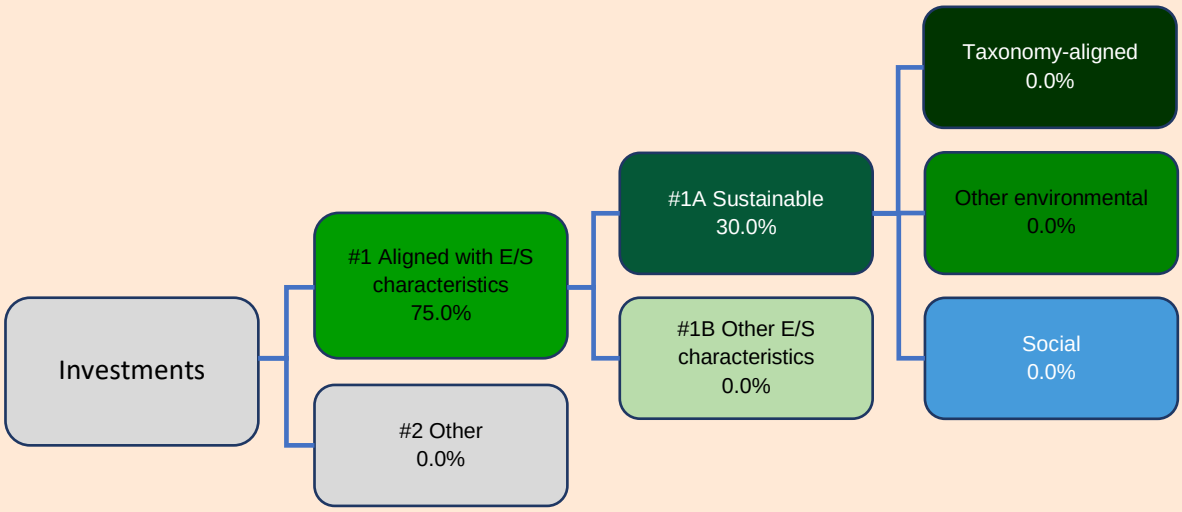
We see assessing good governance practices as an ongoing process, and the investment teams are encouraged to engage directly with companies to obtain additional information, raise concerns and/or resolve issues linked to the governance practices identified or associated controversies.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#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 category **#1 Aligned with E/S characteristics** covers:

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

While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. The asset allocation figures presented above are pre-contractual minimums expressed as a percentage of the net assets; they are not a forecast of a target allocation. For information on the percentages achieved, please refer to the annual report.
The underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities represent a minimum alignment commitment of 0% of investments.
A share of the financial product's net assets may be invested in instruments that do not promote environmental or social characteristics (cash, funds or derivatives). They provide technical support and uphold the fund's financial objective (hedging, movements of liabilities, etc.). Minimum ESG safeguards are applied in accordance with our sustainability approach. Details are provided in the response to the question on "other" investments below.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Interest rate and currency derivatives neither contribute to nor affect the environmental and social characteristics promoted by the financial product. Derivatives on other asset classes do not contribute to the attainment of the environmental and social characteristics, but may affect them. For the purposes of transparency, derivatives are not taken into account in the ratios presented above.

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

Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy[1]?

☒ Yes

☒ In fossil gas ☒ In nuclear energy

☐ No

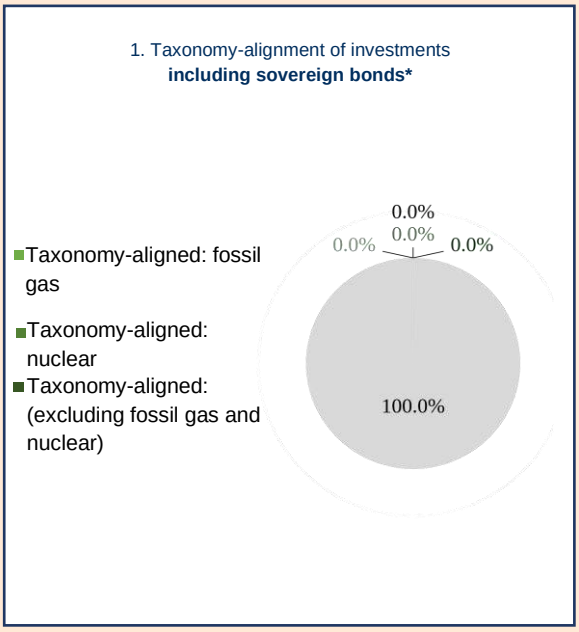
The applicable criteria for **fossil gas** to be considered aligned with the EU Taxonomy include restrictions on emissions and a transition to renewable energy sources or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive rules regarding nuclear safety and waste management.

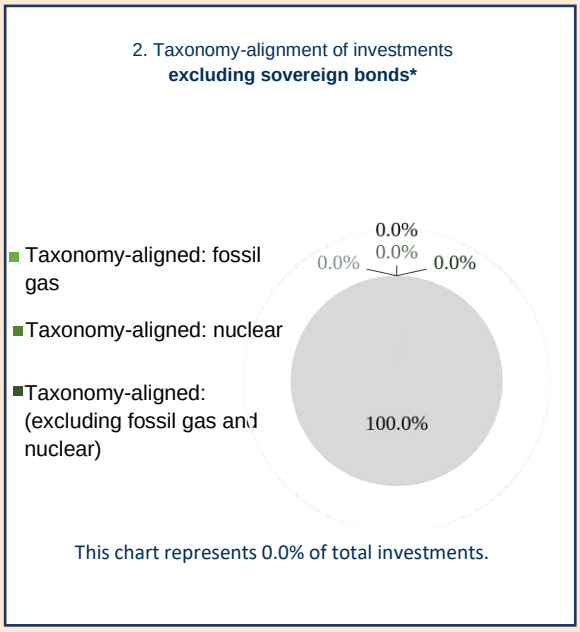
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

[1] Activities related to nuclear and/or fossil gas related activities will only be considered Taxonomy-aligned if they contribute to climate change mitigation and do no significant harm to any of the objectives of the EU Taxonomy – see the explanatory note in the left-hand margin. All criteria applicable to economic activities in the nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, “sovereign bonds” consist of all sovereign exposures

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

The minimum share in enabling and transitional activities is 0%.

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

Are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Within the minimum invested in sustainable investments, the minimum share of investments with an environmental objective that are not aligned with the Taxonomy is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

What is the minimum share of socially sustainable investments?

Within the minimum invested in sustainable investments, the minimum share of investments with a social objective is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

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

safeguards?

A share of the financial product's net assets may be invested in securities that are not analysed with respect to ESG criteria. However, all investments adhere to the Management Company's common exclusion framework, guaranteeing a baseline level of compliance with ESG principles.
The securities held in the portfolio, in accordance with the allocation levels stated in the prospectus, serve to further the financial product's financial investment objective.
The financial product may invest up to 10% of its net assets in cash on an ancillary basis. We take the ESG ratings of the depositary bank into account. Cash may also be invested in money market funds managed by our management company, in accordance with our ESG policy and where we have complete transparency.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.



Where can I find more product specific information online?

Further details on the financial product are available in the prospectus, the ESG policy and the policies for taking into account PAI and sustainability risks, which are available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

Appendix V – Sustainable Finance Disclosure (Unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Asian Equity Yield
Legal Entity Identifier : HW8T20METRZQAOYP1O66

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

●● ☐ Yes	●● ☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 60% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Appendix V – Sustainable Finance Disclosure (Unaudited)



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the MSCI AC Asia Pacific ex Japan High Dividend Yield (net TR) Index, based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders' own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January 2022 to 31 December 2022.

The Fund also invested at least 25% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's sustainability score for the reference period was 1.9% and the benchmark's sustainability score for the reference period was -10.0%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Avoided Emissions

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Connectivity

- High Salaries

- Medicine

- Power Provision

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the MSCI AC Asia Pacific ex Japan High Dividend Yield (net TR) Index by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the MSCI AC Asia Pacific ex Japan High Dividend Yield (net TR) Index in Schroders' proprietary tool over a rolling six month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 60% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 25% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• ...and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Avoided Emissions: the estimated environmental benefits of companies that enable system-or economy-wide reductions in carbon emissions;

- Connectivity: the estimated societal benefits from companies' that enable or support the connection of communities through telecommunication services;

- High Salaries: the estimated societal benefit of paying staff above local living wages (for regions in which they operate). Assigned in proportion to the surplus companies are paying employees compared to the average living wage;

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Medicine: the estimated societal benefits arising from the additional social value the sale of such products and services exhibits of the wider economy. Assigned in proportion to the company's involvement in the healthcare value chain and proportion of company market share to global sub-sector revenue;

- Power Provision: the estimated societal benefits of access to power and electricity. Assigned in proportion to a company's share of power provision revenues;

The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

Appendix V – Sustainable Finance Disclosure (Unaudited)

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders. We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Appendix V – Sustainable Finance Disclosure (Unaudited)

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

Appendix V – Sustainable Finance Disclosure (Unaudited)

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED TWD10	Information Technology	8.27	Taiwan
SAMSUNG ELECTRONICS COMPANY LIMITED PREFERENCE KRW5000	Information Technology	6.95	South Korea
CHINA YANGTZE POWER COMPANY LIMITED A CNY1 (CNY)	Utilities	2.92	China
DBS GROUP HOLDINGS LIMITED NPV	Financials	2.89	Singapore
CSL LIMITED NPV	Health Care	2.69	United States
ADVANTECH COMPANY LIMITED TWD10	Information Technology	2.52	Taiwan
LENOVO GROUP LIMITED HKD0.025	Information Technology	2.45	China
VENTURE CORPORATION LIMITED SGD0.25	Information Technology	2.41	Singapore
MEDIATEK INCORPORATED TWD10	Information Technology	2.40	Taiwan
HDFC BANK LIMITED INR1	Financials	2.31	India
TATA CONSULTANCY SERVICES LIMITED INR1	Information Technology	2.28	India
SPARK NEW ZEALAND LIMITED NPV (NEW ZEALAND LISTING)	Communication Services	2.13	New Zealand
KERRY PROPERTIES LIMITED ORDINARY HKD1	Real Estate	2.12	Hong Kong
MIDEA GROUP CO LTD-A (CNY)	Consumer Discretionary	2.09	China
NOVATEK MICROELECTRONICS CORPORATION LIMITED TWD10	Information Technology	2.07	Taiwan

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

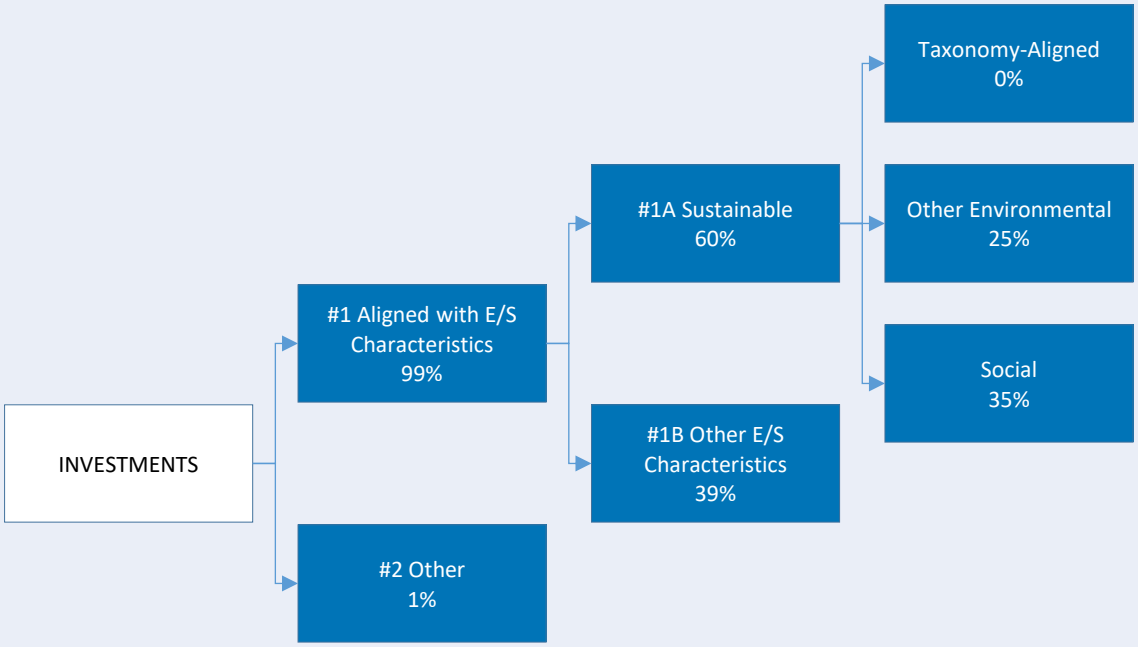
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 99%. The Fund maintained a higher overall sustainability score than the MSCI AC Asia Pacific ex Japan High Dividend Yield (net TR) Index and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

Appendix V – Sustainable Finance Disclosure (Unaudited)

The Fund invested 60% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 25% was invested in sustainable investments with an environmental objective and 35% was invested in sustainable investments with a social objective. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. A sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes. [#2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.]



#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 category ***#1 Aligned with E/S Characteristics*** *covers:*
- The sub-category ***#1A Sustainable*** *covers environmentally and socially sustainable investments*
- The sub-category ***#1B Other E/S Characteristics*** *covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

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Appendix V – Sustainable Finance Disclosure (Unaudited)

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Information Technology	Technology Hardware & Equipment	16.52
Information Technology	Semiconductors & Semiconductor Equipment	14.38
Information Technology	Software & Services	3.07
Financials	Banking	12.38
Financials	Insurance	4.38
Financials	Diversified Financials	4.27
Consumer Discretionary	Consumer Durables & Apparel	5.37
Consumer Discretionary	Consumer Services	3.89
Communication Services	Telecommunication Services	5.29
Communication Services	Media & Entertainment	2.50
Communication Services	Retailing	0.61
Materials	Materials	7.86
Real Estate	Real Estate	5.99
Utilities	Utilities	3.98
Health Care	Pharmaceuticals, Biotechnology & Life Sciences	2.69
Health Care	Health Care Equipment & Services	1.29
Industrials	Capital Goods	2.55
Industrials	Transportation	0.68
Cash	Cash	2.19
Energy	Energy	0.11

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

Appendix V – Sustainable Finance Disclosure (Unaudited)

and that have greenhouse gas emission levels corresponding to the best performance.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

Appendix V – Sustainable Finance Disclosure (Unaudited)

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

Appendix V – Sustainable Finance Disclosure (Unaudited)



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 25% of its assets in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What was the share of socially sustainable investments?

The Fund invested 35% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes. [#2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.]

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

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Appendix V – Sustainable Finance Disclosure (Unaudited)



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund [and of individual investments] when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

Appendix V – Sustainable Finance Disclosure (Unaudited)

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

FD102246-20230206140252

Appendix V – Sustainable Finance Disclosure (Unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF EURO Bond
Legal Entity Identifier : 61XW5S6PT0DGAORX3X38

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 78% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Appendix V – Sustainable Finance Disclosure (Unaudited)



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the Bloomberg EURO Aggregate Index, based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales or GDP of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales or GDP. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January, 2022 to 31 December, 2022.

The Fund used derivatives that contributed to the environmental and/or social characteristics promoted by the Fund, specifically to the Fund's sustainability score in Schroders' proprietary tool.

The Fund also invested at least 10% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's sustainability score for the reference period was 3.2% and the benchmark's sustainability score for the reference period was 1.4%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Clean Energy

- Connectivity

- Education

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Power Provision

- Socio-Political Stability

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the Bloomberg EURO Aggregate Index by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the Bloomberg EURO Aggregate Index in Schroders' proprietary tool over a rolling six month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 78% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 10% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• ...and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Clean Energy: the estimated environmental benefit associated with renewables and the accelerated transformation of countries' energy systems;

- Connectivity: the estimated societal benefits from companies' that enable or support the connection of communities through telecommunication services;

- Education: the estimated societal benefits of a country's education spend per school age capita;

- Power Provision: the estimated societal benefits of access to power and electricity. Assigned in proportion to a company's share of power provision revenues;

- Socio-Political Stability: the estimated societal benefit a politically and socially stable country can provide in supporting a favourable business environment and attracting investment, thus contributing to long-run economic growth;

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The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

Appendix V – Sustainable Finance Disclosure (Unaudited)

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders . We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures

Appendix V – Sustainable Finance Disclosure (Unaudited)

need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity, during the reference period, including the relevant engagement theme, is shown below:

Appendix V – Sustainable Finance Disclosure (Unaudited)

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
BUONI POLIENNALI DEL TES SR REGS 1.85% 01 Jul 2025	Sovereign (Developed)	3.58	Italy
GERMANY (FEDERAL REPUBLIC OF) SR REGS .25% 15 Feb 2027	Sovereign (Developed)	2.80	Germany
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 15 Aug 2029	Sovereign (Developed)	2.23	Germany
AUSTRIA (REPUBLIC OF) SR REGS .9% 20 Feb 2032	Sovereign (Developed)	1.65	Austria
SPAIN (KINGDOM OF) SR REGS .7% 30 Apr 2032	Sovereign (Developed)	1.55	Spain
ITALY (REPUBLIC OF) SR REGS .95% 01 Jun 2032	Sovereign (Developed)	1.51	Italy
FRANCE (REPUBLIC OF) SR REGS 0% 25 May 2032	Sovereign (Developed)	1.45	France
EUROPEAN INVESTMENT BANK SR REGS 0% 14 JAN 2031	Supranational	1.31	Luxembourg
FRANCE (REPUBLIC OF) SR REGS 1.25% 25 May 2036	Sovereign (Developed)	1.26	France
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 10 Oct 2025	Sovereign (Developed)	1.10	Germany
ITALY (REPUBLIC OF) SR REGS 2.8% 01 Dec 2028	Sovereign (Developed)	1.05	Italy
ITALY (REPUBLIC OF) SR REGS 1.1% 01 Apr 2027	Sovereign (Developed)	0.96	Italy
STADSHYPOTEK AB SR REGS .125% 05 Oct 2026	Financial	0.93	Sweden
GERMANY (FEDERAL REPUBLIC OF) SR REGS 4.75% 04 Jul 2040	Sovereign (Developed)	0.91	Germany
BUNDESREPUB. DEUTSCHLAND SR REGS 0% 15 May 2035	Sovereign (Developed)	0.90	Germany

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

Appendix V – Sustainable Finance Disclosure (Unaudited)



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

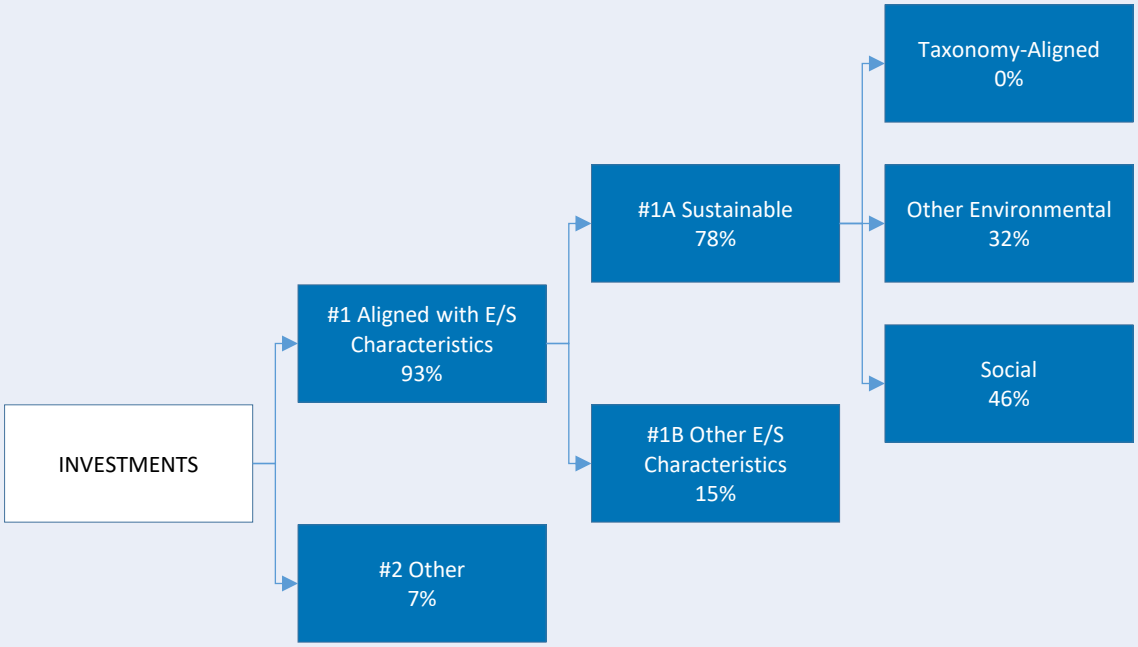
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 93%. The Fund maintained a higher overall sustainability score than the Bloomberg EURO Aggregate Index and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Fund invested 78% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 32% was invested in sustainable investments with an environmental objective and 46% was invested in sustainable investments with a social objective. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. With the exception of any green or social bonds, which will be classified as having an environmental and social objective respectively, a sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

Appendix V – Sustainable Finance Disclosure (Unaudited)



#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 category ***#1 Aligned with E/S Characteristics*** *covers:*
- The sub-category ***#1A Sustainable*** *covers environmentally and socially sustainable investments*
- The sub-category ***#1B Other E/S Characteristics*** *covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

Appendix V – Sustainable Finance Disclosure (Unaudited)

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Sovereign (Developed)		36.46
Financials	Banking	15.72
Financials	Financial Services	3.26
Financials	Insurance	0.29
Industrials	Real Estate	3.07
Industrials	Healthcare	2.54
Industrials	Telecommunications	2.40
Industrials	Automotive	1.21
Industrials	Energy	1.13
Industrials	Consumer Goods	0.80
Industrials	Retail	0.77
Industrials	Transportation	0.75
Industrials	Media & Entertainment	0.67
Industrials	Basic Industry	0.50
Industrials	Services	0.37
Industrials	Capital Goods	0.34
Industrials	Technology & Electronics	0.23
Industrials	Leisure	0.23
Supranational		7.27
Collective Investments	Other	5.47
Government Guaranteed		4.41
Agency		3.44
Utilities	Electric - Integrated	2.82
Utilities	Non-Electric Utilities	0.26
Utilities	Electric - Generation	0.11
Utilities	Electric - Distr/Trans	0.01
Cash	Margin Cash	1.47
Cash	Cash	1.41
Foreign Sovereign		1.33
Local Authority		1.28
EMD Sovereign		0.10
Securitized	Asset Backed	0.01
Derivatives	Credit Derivatives	0.10
Derivatives	FX Derivatives	-0.01
Derivatives	Interest Rate Derivatives	-0.25

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Appendix V – Sustainable Finance Disclosure (Unaudited)

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

Appendix V – Sustainable Finance Disclosure (Unaudited)

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

Appendix V – Sustainable Finance Disclosure (Unaudited)



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 32% of its assets in sustainable investments with an environmental objective that are not aligned with the Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What was the share of socially sustainable investments?

The Fund invested 46% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

Appendix V – Sustainable Finance Disclosure (Unaudited)



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund and of individual investments when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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Appendix V – Sustainable Finance Disclosure (Unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF EURO Government Bond
Legal Entity Identifier : GQO6F0370CMTJBILPZ30

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 97% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Appendix V – Sustainable Finance Disclosure (Unaudited)



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the ICE BofA Merrill Lynch Euro Government Index, based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales or GDP of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales or GDP. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January, 2022 to 31 December, 2022.

The Fund also invested at least 10% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's sustainability score for the reference period was 2.7% and the benchmark's sustainability score for the reference period was 2.4%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Clean Energy

- Education

- International Aid

- Multinational Institutions

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Socio-Political Stability

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the ICE BofA Merrill Lynch Euro Government Index by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the ICE BofA Merrill Lynch Euro Government Index in Schroders' proprietary tool over a rolling six month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 97% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 10% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• ...and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Clean Energy: the estimated environmental benefit associated with renewables and the accelerated transformation of countries' energy systems;

- Education: the estimated societal benefits of a country's education spend per school age capita;

- International Aid: the estimated societal benefits associated with humanitarian aid following natural disasters or conflicts and financial support for economic development of underdeveloped economies. Assigned in proportion to total net Official Development Assistance (ODA) receipts;

- Multinational Institutions: the estimated societal benefits associated with countries working together through international organisations that encourage cooperation and diplomatic resolutions to global problems. Assigned in proportion to a country's net UN contributions;

- Socio-Political Stability: the estimated societal benefit a politically and socially stable country can provide in supporting a favourable business environment and attracting investment, thus contributing to long-run economic growth;

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The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

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In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders . We also recognise that, in most cases, in order to see progress and performance on

Appendix V – Sustainable Finance Disclosure (Unaudited)

other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity, during the reference period, including the relevant engagement theme, is shown below:

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Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 10 Apr 2026	Sovereign (Developed)	6.09	Germany
ITALY (REPUBLIC OF) SR REGS 0% 01 Apr 2026	Sovereign (Developed)	5.49	Italy
BUONI POLIENNALI DEL TES SR REGS 1.65% 01 Dec 2030	Sovereign (Developed)	5.17	Italy
ITALY (REPUBLIC OF) SR REGS .95% 01 Jun 2032	Sovereign (Developed)	4.21	Italy
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 09 Oct 2026	Sovereign (Developed)	3.76	Germany
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 18 Oct 2024	Sovereign (Developed)	3.49	Germany
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 15 Aug 2029	Sovereign (Developed)	2.86	Germany
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 10 Oct 2025	Sovereign (Developed)	2.82	Germany
SPAIN (KINGDOM OF) SR REGS .7% 30 Apr 2032	Sovereign (Developed)	2.33	Spain
FRANCE (REPUBLIC OF) SR REGS .5% 25 May 2029	Sovereign (Developed)	2.32	France
ITALY (REPUBLIC OF) SR REGS 2.8% 01 Dec 2028	Sovereign (Developed)	2.29	Italy
GERMANY (FEDERAL REPUBLIC OF) SR REGS 0% 15 Aug 2030	Sovereign (Developed)	2.24	Germany
BUNDESREPUB. DEUTSCHLAND SR REGS 0% 15 May 2035	Sovereign (Developed)	2.14	Germany
AUSTRIA (REPUBLIC OF) SR REGS .9% 20 Feb 2032	Sovereign (Developed)	1.96	Austria
FRANCE (REPUBLIC OF) SR REGS 0% 25 Feb 2026	Sovereign (Developed)	1.84	France

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

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What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

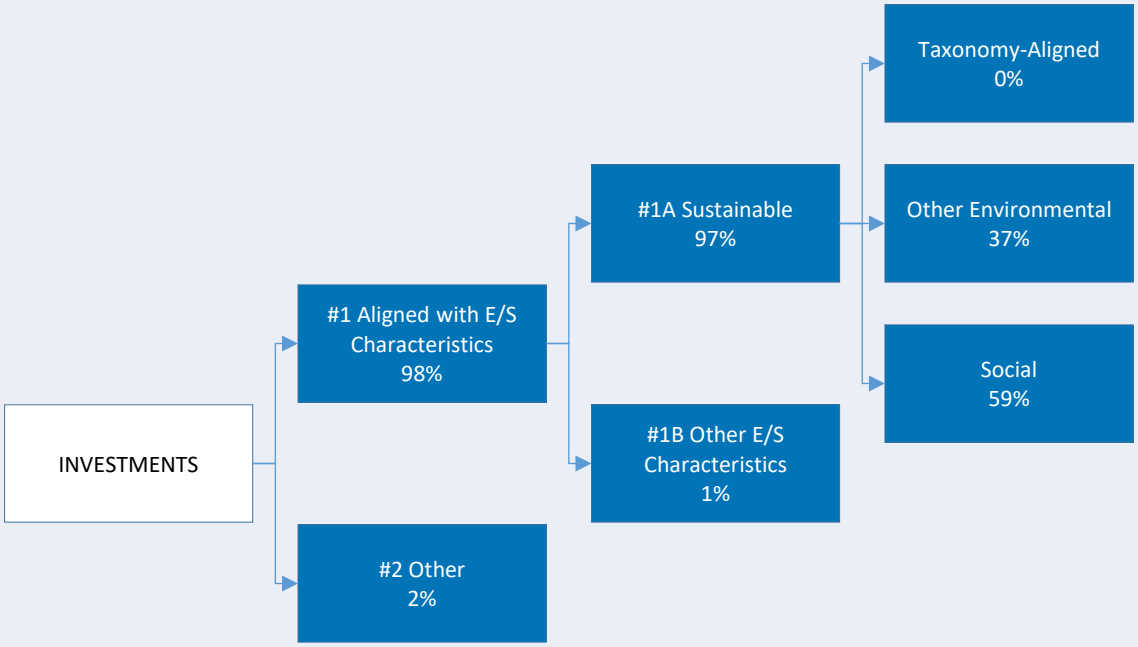
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 98%. The Fund maintained a higher overall sustainability score than the ICE BofA Merrill Lynch Euro Government Index and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Fund invested 97% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 37% was invested in sustainable investments with an environmental objective and 59% was invested in sustainable investments with a social objective. The percentage of sustainable investments with an environmental objective and the percentage of sustainable investments with a social objective do not sum to the percentage of sustainable investments, due to rounding. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. With the exception of any green or social bonds, which will be classified as having an environmental and social objective respectively, a sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

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#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 category **#1 Aligned with E/S Characteristics** covers:*
*- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments*
*- The sub-category **#1B Other E/S Characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Sovereign (Developed)		89.25
Financials	Banking	2.50
Financials	Financial Services	0.07
Government Guaranteed		2.06
Supranational		1.90
Agency		1.81
Cash	Margin Cash	0.83
Cash	Cash	0.69
EMD Sovereign		1.00
Local Authority		0.09
Derivatives	FX Derivatives	-0.01
Derivatives	Interest Rate Derivatives	-0.17

Appendix V – Sustainable Finance Disclosure (Unaudited)

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

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are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 37% of its assets in sustainable investments with an environmental objective that are not aligned with the Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What was the share of socially sustainable investments?

The Fund invested 59% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

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What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund and of individual investments when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Japanese Equity
Legal Entity Identifier : CJJRRIDG3Y95POYRD382

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 58% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the Tokyo Stock Exchange 1st Section Index (TOPIX) (Net TR), based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders' own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January 2022 to 31 December 2022.

The Fund also invested at least 25% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

.

The Fund's sustainability score for the reference period was 1.2% and the benchmark's sustainability score for the reference period was -3.1%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Connectivity

Appendix V – Sustainable Finance Disclosure (Unaudited)

- Financial Inclusion

- High Salaries

- Medicine

- Water Access

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the Tokyo Stock Exchange 1st Section Index (TOPIX) (Net TR) by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the Tokyo Stock Exchange 1st Section Index (TOPIX) (Net TR) in Schroders' proprietary tool over a rolling six month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 58% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 25% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• ...and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Connectivity: the estimated societal benefits from companies' that enable or support the connection of communities through telecommunication services;

- Financial Inclusion: the estimated societal benefits from the provision of financial services on local populations. Assigned in proportion to company market share of global revenue;

- High Salaries: the estimated societal benefit of paying staff above local living wages (for regions in which they operate). Assigned in proportion to the surplus companies are paying employees compared to the average living wage;

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- Medicine: the estimated societal benefits arising from the additional social value the sale of such products and services exhibits of the wider economy. Assigned in proportion to the company's involvement in the healthcare value chain and proportion of company market share to global sub-sector revenue;

- Water Access: the estimated societal benefits associated with the benefits to human health from the provision of clean drinking water. Assigned in proportion to company market share of global revenue;

The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

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- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

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PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders. We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

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The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

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The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
MITSUBISHI UFJ FINANCIAL GROUP INCORPORATED NPV	Financials	4.76	Japan
NIPPON TELEGRAPH AND TELEPHONE CORPORATION NPV	Communication Services	4.74	Japan
SONY GROUP CORPORATION NPV	Consumer Discretionary	3.97	Japan
TOKIO MARINE HOLDINGS INCORPORATED NPV	Financials	3.48	Japan
KDDI CORPORATION NPV	Communication Services	3.05	Japan
ASTELLAS PHARMA INCORPORATED NPV	Health Care	2.77	Japan
MITSUI FUDOSAN COMPANY LIMITED NPV	Real Estate	2.73	Japan
KEYENCE CORPORATION NPV	Information Technology	2.64	Japan
DAIKIN INDUSTRIES LIMITED NPV	Industrials	2.63	Japan
ISUZU MOTORS LIMITED NPV	Consumer Discretionary	2.43	Japan
DAI-ICHI LIFE HOLDINGS INCORPORATED NPV	Financials	2.42	Japan
BRIDGESTONE CORPORATION NPV	Consumer Discretionary	2.40	Japan
ORIX CORPORATION NPV	Financials	2.35	Japan
MatsukiyoCocokara & Co NPV	Consumer Staples	2.27	Japan
TOYOTA INDUSTRIES CORPORATION JPY50	Industrials	2.18	Japan

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

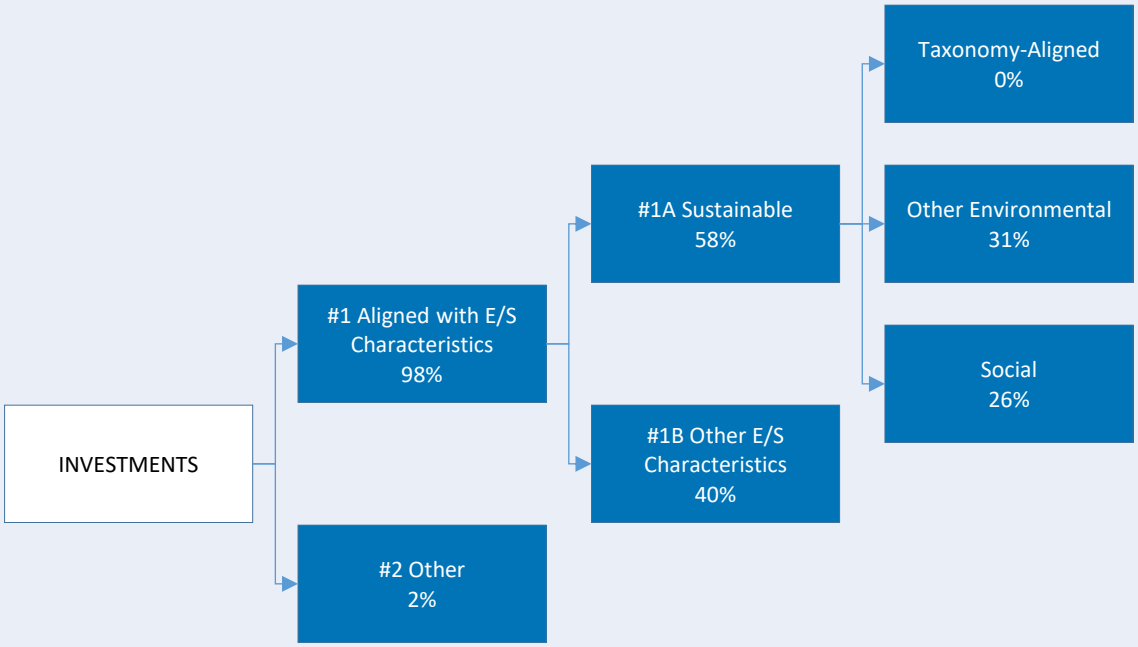
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 98%. The Fund maintained a higher overall sustainability score than the Tokyo Stock Exchange 1st Section Index (TOPIX) (Net TR) and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

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The Fund invested 58% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 31% was invested in sustainable investments with an environmental objective and 26% was invested in sustainable investments with a social objective. The percentage of sustainable investments with an environmental objective and the percentage of sustainable investments with a social objective do not sum to the percentage of sustainable investments, due to rounding. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. A sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.



#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 category ***#1 Aligned with E/S Characteristics*** *covers:*
- The sub-category ***#1A Sustainable*** *covers environmentally and socially sustainable investments*
- The sub-category ***#1B Other E/S Characteristics*** *covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

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• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Consumer Discretionary	Automobiles & Components	11.26
Consumer Discretionary	Consumer Durables & Apparel	6.03
Consumer Discretionary	Retailing	1.87
Industrials	Capital Goods	13.72
Industrials	Transportation	2.53
Industrials	Commercial & Professional Services	1.77
Financials	Insurance	5.90
Financials	Banking	4.76
Financials	Diversified Financials	4.76
Information Technology	Software & Services	6.15
Information Technology	Technology Hardware & Equipment	5.65
Information Technology	Semiconductors & Semiconductor Equipment	3.21
Communication Services	Telecommunication Services	9.68
Communication Services	Media & Entertainment	2.19
Health Care	Pharmaceuticals, Biotechnology & Life Sciences	6.38
Health Care	Health Care Equipment & Services	2.64
Consumer Staples	Food & Staples Retailing	2.27
Consumer Staples	Food, Beverage & Tobacco	1.18
Consumer Staples	Household & Personal Products	0.08
Real Estate	Real Estate	3.37
Materials	Materials	3.36
Cash	Cash	1.14
Cash	Margin Cash	0.09

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

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activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

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- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

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are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 31% of its assets in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What was the share of socially sustainable investments?

The Fund invested 26% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

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What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund [and of individual investments] when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

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• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF US Dollar Bond
Legal Entity Identifier : GB3IPB54OX2RMO1Y4781

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 62% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the Bloomberg US Aggregate Bond (TR) Index, based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales or GDP of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales or GDP. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January, 2022 to 31 December, 2022.

The Fund also invested at least 10% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's sustainability score for the reference period was 3.6% and the benchmark's sustainability score for the reference period was -2.3%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Connectivity

- Education

- Power Provision
- Sanitation

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- Water Access

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the Bloomberg US Aggregate Bond (TR) Index by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the Bloomberg US Aggregate Bond (TR) Index in Schroders' proprietary tool over a rolling six month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 62% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 10% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• …and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Connectivity: the estimated societal benefits from companies' that enable or support the connection of communities through telecommunication services;

- Education: the estimated societal benefits of a country's education spend per school age capita;

- Power Provision: the estimated societal benefits of access to power and electricity. Assigned in proportion to a company's share of power provision revenues;

- Sanitation: the estimated societal benefits associated with the provisions of products and services that tackle poor sanitation, lack of safe water and hygiene. Assigned in proportion to company market share of global revenue;

- Water Access: the estimated societal benefits associated with the benefits to human health from the provision of clean drinking water. Assigned in proportion to company market share of global revenue;

The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference

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period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

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In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders . We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures

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need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity, during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738

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Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
SISF SECURITISED CREDIT I ACCUMULATION	Collective Investments	6.18	Luxembourg
TREASURY NOTE SR GOVT 3.25% 31 Aug 2024	Sovereign (Developed)	2.56	United States
US TREASURY BOND 3% 15 Aug 2052	Sovereign (Developed)	2.00	United States
US TREASURY BOND 3.375% 15 Aug 2042	Sovereign (Developed)	1.89	United States
SANTANDER UK GROUP HLDGS SR 1.089% 15 Mar 2025	Financial	1.52	United Kingdom
TREASURY NOTE SR GOVT 2.875% 15 May 2032	Sovereign (Developed)	1.51	United States
US TREASURY BOND 2.875% 15 May 2052	Sovereign (Developed)	1.46	United States
TREASURY NOTE SR GOVT 3.125% 31 Aug 2029	Sovereign (Developed)	1.42	United States
FN MA4600 3.5% 01 May 2052	Securitized	1.33	United States
FR SD8214 3.5% 01 May 2052	Securitized	1.32	United States
TREASURY NOTE SR GOVT 2.75% 15 May 2025	Sovereign (Developed)	1.21	United States
UNITED UTILITIES PLC SR CORP 6.875% 15 Aug 2028	Utility	1.19	United Kingdom
BANK OF IRELAND SR 144A 2.029% 30 Sep 2027	Financial	1.18	Ireland
GENERAL MOTORS CO 6.125% 01 Oct 2025	Industrial	1.16	United States
GLM 2017-2A AR 5.1526% 20 Nov 2030	Securitized	1.16	United States

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

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What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

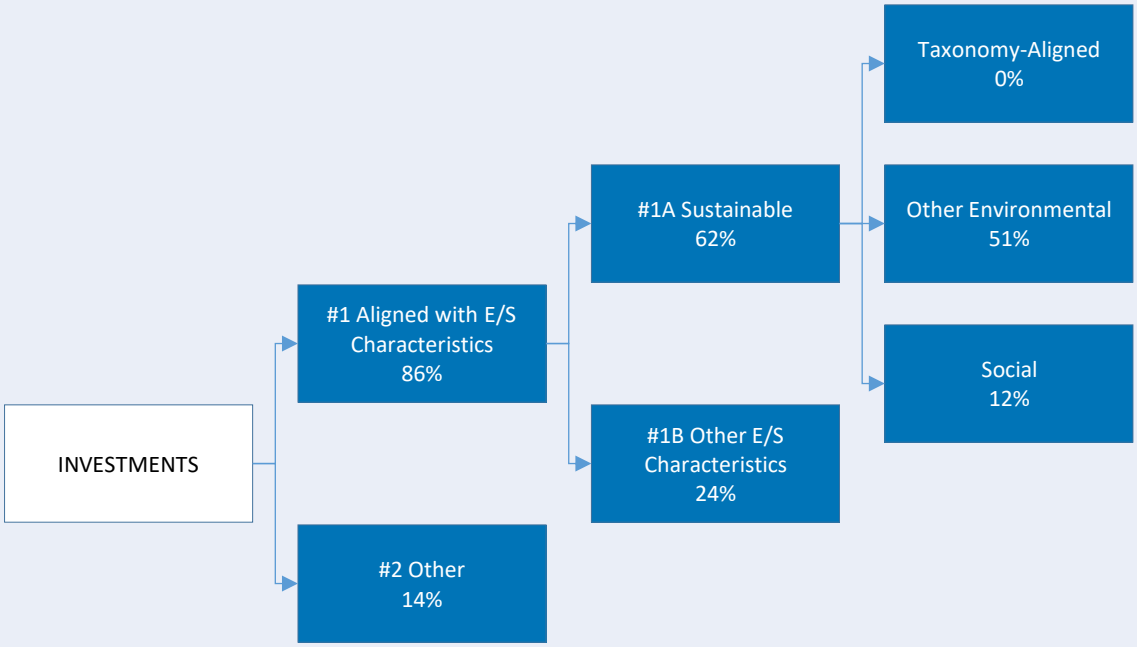
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 86%. The Fund maintained a higher overall sustainability score than the Bloomberg US Aggregate Bond (TR) Index and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Fund invested 62% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 51% was invested in sustainable investments with an environmental objective and 12% was invested in sustainable investments with a social objective. The percentage of sustainable investments with an environmental objective and the percentage of sustainable investments with a social objective do not sum to the percentage of sustainable investments, due to rounding. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. With the exception of any green or social bonds, which will be classified as having an environmental and social objective respectively, a sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

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#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 category **#1 Aligned with E/S Characteristics** covers:*
*- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments*
*- The sub-category **#1B Other E/S Characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Industrials	Telecommunications	4.10
Industrials	Real Estate	3.53
Industrials	Automotive	3.45
Industrials	Basic Industry	2.71
Industrials	Technology & Electronics	2.48
Industrials	Media & Entertainment	2.40
Industrials	Energy	1.83
Industrials	Healthcare	1.55
Industrials	Leisure	1.02
Industrials	Consumer Goods	0.81
Industrials	Capital Goods	0.59
Industrials	Services	0.43

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Industrials	Retail	0.25
Industrials	Transportation	0.10
Financials	Banking	18.54
Financials	Financial Services	4.82
Financials	Insurance	0.83
Sovereign (Developed)		20.61
Securitized	Mortgage Backed	10.87
Securitized	Asset Backed	2.53
Securitized	Collateralized Mortgage Obligation	0.15
Collective Investments	Unit Trusts	6.18
Utilities	Electric - Integrated	1.86
Utilities	Non-Electric Utilities	1.72
Utilities	Electric - Generation	0.19
Utilities	Electric - Distr/Trans	0.05
Foreign Sovereign		2.29
U.S. Taxable Municipal		1.38
Cash	Margin Cash	0.56
Cash	Cash	0.51
Local Authority	Local Authority	0.72
Local Authority		0.04
EMD Sovereign		0.47
Cash Equivalents	Treasury Bills	0.36
Agency		0.08

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

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corresponding to the best performance.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

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- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 51% of its assets in sustainable investments with an environmental objective that are not aligned with the Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.

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under Regulation (EU) 2020/852.

What was the share of socially sustainable investments?

The Fund invested 12% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes. #2 also includes investments that were not scored by Schroders' proprietary sustainability tool and so did not contribute towards the Fund's sustainability score.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund and of individual investments when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance

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practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Global Sustainable Growth
Legal Entity Identifier : 0NL7S0Z6XT6U55O6U359

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 59% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall sustainability score than the MSCI AC World (Net TR) Index, based on the Investment Manager's rating system. This means that the Fund's weighted average score over a rolling six-month period up to the end of the reference period was higher than the benchmark's weighted average score over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. It does this using third party data as well as Schroders' own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The result is expressed as an aggregate score of the sustainability indicators for each issuer, specifically a notional percentage (positive or negative) of sales of the relevant underlying issuer. For example, a score of +2% would mean an issuer contributes $2 of relative notional positive impact (i.e. benefits to society) per $100 of sales. The sustainability score of the Fund is derived from the scores of all issuers in the Fund's portfolio measured by Schroders' proprietary tool.

The reference period for this Fund is 1 January 2022 to 31 December 2022.

The Fund also invested at least 50% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's sustainability score for the reference period was 4.1% and the benchmark's sustainability score for the reference period was -4.6%.

In each case the sustainability score is calculated as a notional percentage as described above.

As measured at the end of the reference period, the top 5 indicators in Schroders' proprietary tool that contributed positively to the sustainability score of the Fund were:

- Avoided Emissions

- Contraception

- Donations

- High Salaries

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- Medicine

The Investment Manager monitored compliance with the characteristic to maintain a higher overall sustainability score than the MSCI AC World (Net TR) Index by reference to the weighted average sustainability score of the Fund in Schroders' proprietary tool compared against the weighted average sustainability score of the MSCI AC World (Net TR) Index in Schroders' proprietary tool over a rolling six-month period up to the end of the reference period, based on month-end data. The overall sustainability score aggregates the effect of sustainability indicators including but not limited to greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Investment Manager invested 59% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 50% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

• ...and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Avoided Emissions: the estimated environmental benefits of companies that enable system-or economy-wide reductions in carbon emissions;

- Contraception: the estimated societal benefits attained from the production and supply of contraceptives. Assigned in proportion to company market share of global revenue;

- Donations: the estimated societal benefits from a company's philanthropic donations. Measured based on the monetary value of the sum donated;

- High Salaries: the estimated societal benefit of paying staff above local living wages (for regions in which they operate). Assigned in proportion to the surplus companies are paying employees compared to the average living wage;

- Medicine: the estimated societal benefits arising from the additional social value the sale of such products and services exhibits of the wider economy. Assigned in proportion to the company's

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involvement in the healthcare value chain and proportion of company market share to global sub-sector revenue;

The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

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In addition, the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

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Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders. We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf)

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and as further described above. A summary of Schroders firm-wide engagement activity during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
MICROSOFT CORPORATION COMMON STOCK USD0.0000125	Information Technology	5.94	United States
ALPHABET INCORPORATED CL A NPV	Communication Services	4.07	United States
AIA GROUP LIMITED USD1	Financials	3.87	Hong Kong
ASTRAZENECA PLC ORDINARY USD0.25	Health Care	3.75	United Kingdom
ELEVANCE HEALTH INCORPORATED COMMON STOCK USD0.01	Health Care	3.55	United States
THERMO FISHER SCIENTIFIC INCORPORATED COMMON STOCK USD1	Health Care	3.52	United States
TEXAS INSTRUMENTS INCORPORATED COMMON STOCK USD1	Information Technology	3.10	United States
TORONTO-DOMINION BANK (THE) COMMON NPV	Financials	3.06	Canada
UNITEDHEALTH GROUP INCORPORATED COMMON STOCK USD0.01	Health Care	3.05	United States
SCHNEIDER ELECTRIC SE EUR4	Industrials	3.04	United States
DBS GROUP HOLDINGS LIMITED NPV	Financials	2.91	Singapore
RECKITT BENCKISER GROUP ORDINARY 10P	Consumer Staples	2.90	United Kingdom
BOOKING HOLDINGS INCORPORATED COMMON STOCK USD0.008	Consumer Discretionary	2.83	United States
HDFC BANK LIMITED INR1	Financials	2.79	India
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED TWD10	Information Technology	2.71	Taiwan

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the

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administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• What was the asset allocation?

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

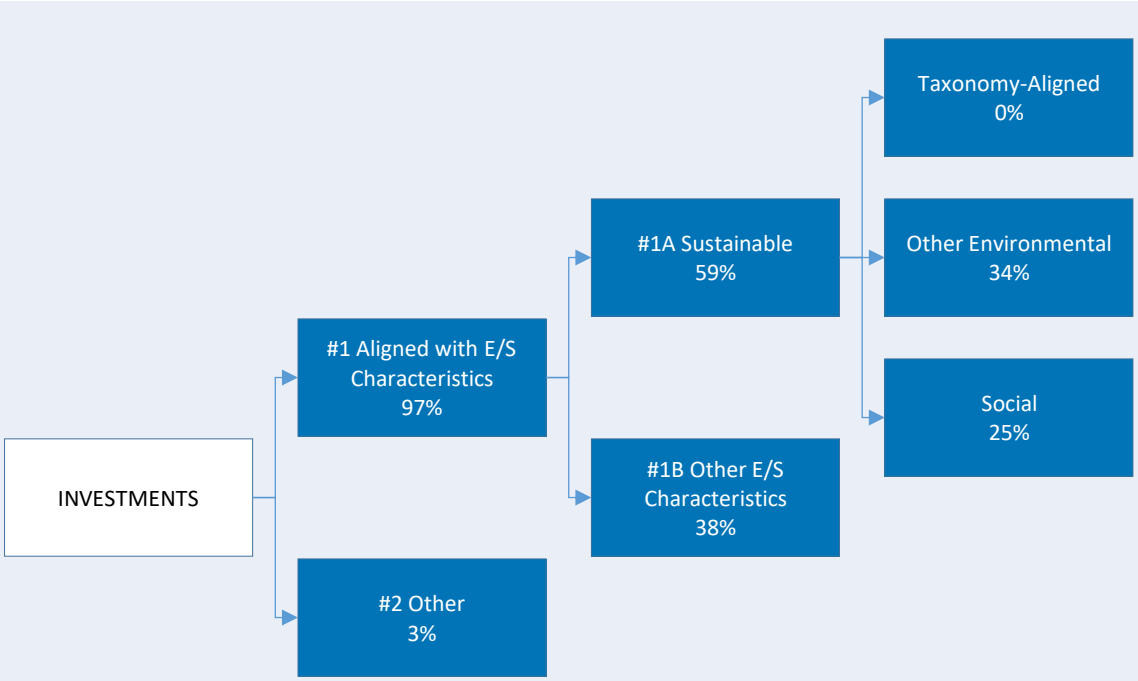
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 97%. The Fund maintained a higher overall sustainability score than the MSCI AC World (Net TR) Index and so the Fund's investments that were scored by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's sustainability score (whether such individual investment had a positive or a negative score). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

The sustainability score is measured by Schroders' proprietary tool that provides an estimate of the net "impact" that an issuer may create in terms of social and environmental "costs" or "benefits". It does this by using certain indicators with respect to that issuer, and quantifying them positively and negatively to produce an aggregate notional measure of the effect that the relevant underlying issuer may have on society and the environment. Examples of such indicators are greenhouse gas emissions, water usage, and salaries compared to the living wage.

The Fund invested 59% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 34% was invested in sustainable investments with an environmental objective and 25% was invested in sustainable investments with a social objective. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. A sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash, which was treated as neutral for sustainability purposes.

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#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 category ***#1 Aligned with E/S Characteristics*** *covers:*
- The sub-category ***#1A Sustainable*** *covers environmentally and socially sustainable investments*
- The sub-category ***#1B Other E/S Characteristics*** *covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

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• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Information Technology	Software & Services	13.34
Industrials	Capital Goods	12.6
Financials	Banking	11.54
Health Care	Pharmaceuticals, Biotechnology & Life Sciences	9.33
Health Care	Health Care Equipment & Services	8.59
Information Technology	Semiconductors & Semiconductor Equipment	7.55
Industrials	Commercial & Professional Services	4.91
Communication Services	Media & Entertainment	3.87
Financials	Insurance	3.86
Consumer Discretionary	Consumer Durables & Apparel	3.77
Consumer Discretionary	Consumer Services	3.76
Consumer Staples	Household & Personal Products	3.52
Consumer Discretionary	Retailing	2.92
Cash	Cash	2.84
Financials	Diversified Financials	2.76
Consumer Staples	Food & Staples Retailing	2.13
Consumer Staples	Food, Beverage & Tobacco	2.08
Materials	Materials	0.64

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

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the best performance.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

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- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

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are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 34% of its assets in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What was the share of socially sustainable investments?

The Fund invested 25% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash, which was treated as neutral for sustainability purposes.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

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What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the sustainability score of the Fund and of individual investments when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: State Street Global ESG Screened Managed Volatility Equity Fund (the "Fund")

Legal entity identifier: 549300SR9616JQE7CE72

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective**: ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The investment policy of the State Street Global ESG Screened Managed Volatility Equity Fund ("Fund") is to outperform the MSCI World Index ("Index") over the medium and long term while screening out securities based on an assessment of their adherence to ESG criteria i.e. international norms in relation to environmental protection, human rights, labour standards, anti-corruption and controversial weapons.

The environmental and social characteristics promoted by the Fund is the negative and norms-based screen that was applied to the portfolio of the Fund throughout the period to screen out securities based on an assessment of their adherence to ESG criteria, i.e. international norms in relation to environmental protection, human rights, labour standards, anti-corruption and controversial weapons.

How did the sustainability indicators perform?

The attainment of the environmental and social characteristics is measured through the % of the portfolio invested in securities that are included in the negative and norms-based screen

…and compared to previous periods?

N/A – first reporting period. No comparison available.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund does not commit to making sustainable investments within the meaning of the SFDR or the Taxonomy Regulation.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund does not commit to investing in sustainable investments.

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 Union 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.

How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered Principal Adverse Impacts ("PAI") on sustainability factors by applying the negative and norms-based ESG screen prior to the construction of the portfolio. Specifically, the Fund considered

- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact Principles
- Exposure to controversial weapons



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01 January 2022 to 31 December 2022.

Largest investments	Sector	% Assets	Country
ELI LILLY + CO	HEALTH CARE	1.22%	UNITED STATES
GENERAL MILLS INC	CONSUMER STAPLES	1.19%	UNITED STATES
WASTE MANAGEMENT INC	INDUSTRIALS	1.17%	UNITED STATES
ARTHUR J GALLAGHER + CO	FINANCIALS	1.15%	UNITED STATES
PROCTER + GAMBLE CO/THE	CONSUMER STAPLES	1.15%	UNITED STATES
PEPSICO INC	CONSUMER STAPLES	1.14%	UNITED STATES
BRISTOL MYERS SQUIBB CO	HEALTH CARE	1.13%	UNITED STATES
AMGEN INC	HEALTH CARE	1.12%	UNITED STATES
KROGER CO	CONSUMER STAPLES	1.11%	UNITED STATES
VERTEX PHARMACEUTICALS INC	HEALTH CARE	1.10%	UNITED STATES
T MOBILE US INC	COMMUNICATION SERVICES	1.10%	UNITED STATES
HERSHEY CO/THE	CONSUMER STAPLES	1.10%	UNITED STATES
DOLLAR GENERAL CORP	CONSUMER DISCRETIONARY	1.10%	UNITED STATES
KIMBERLY CLARK CORP	CONSUMER STAPLES	1.09%	UNITED STATES
HORMEL FOODS CORP	CONSUMER STAPLES	1.09%	UNITED STATES



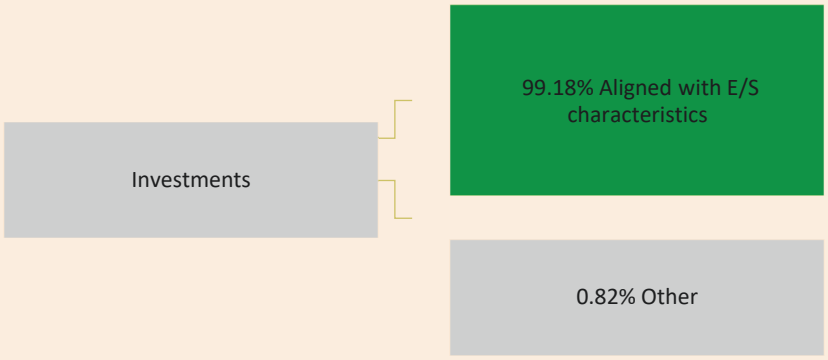
What was the proportion of sustainability-related investments?

See below – The Fund does not commit to making sustainable investments within the meaning of the SFDR or the Taxonomy Regulation.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

99.18% of the Fund's assets were invested in securities which are #1 Aligned with the environmental and social characteristics as outlined in the table below. 0.82% of the assets, consisting of cash as well as cash equivalents were classified under #2 Other in the below table and are not aligned with the promoted environmental and social characteristics.



#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

CONSUMER STAPLES	25.03%
FOOD PRODUCTS	10.16%
HOUSEHOLD PRODUCTS	6.12%
FOOD & STAPLES RETAILING	5.04%
TOBACCO	1.87%
BEVERAGES	1.74%
PERSONAL PRODUCTS	0.10%
HEALTH CARE	21.86%
PHARMACEUTICALS	9.98%
BIOTECHNOLOGY	7.87%
HEALTH CARE EQUIPMENT & SUPPLI	2.11%
HEALTH CARE PROVIDERS & SERVIC	1.61%
LIFE SCIENCES	0.28%
COMMUNICATION SERVICES	15.34%
DIVERSIFIED TELECOMMUNICATION	9.87%
WIRELESS TELECOMMUNICATION SER	3.15%
ENTERTAINMENT	1.55%
MEDIA	0.77%
UTILITIES	14.14%
ELECTRIC UTILITIES	6.29%
MULTI-UTILITIES	5.13%
GAS UTILITIES	1.60%
WATER UTILITIES	1.12%
INDUSTRIALS	6.78%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste arrangement rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

AIR FREIGHT & LOGISTICS	3.22%
COMMERCIAL SERVICES & SUPPLIES	2.80%
ROAD & RAIL	0.32%
AEROSPACE & DEFENSE	0.16%
INDUSTRIAL CONGLOMERATES	0.14%
MARINE	0.12%
MACHINERY	0.07%
AIRLINES	0.05%
FINANCIALS	5.54%
BANKS	2.65%
INSURANCE	2.04%
CAPITAL MARKETS	0.85%
CONSUMER DISCRETIONARY	3.44%
MULTILINE RETAIL	2.65%
HOTELS, RESTAURANTS & LEISURE	0.46%
SPECIALTY RETAIL	0.33%
INFORMATION TECHNOLOGY	2.47%
SOFTWARE	1.36%
COMMUNICATIONS EQUIPMENT	0.85%
TECHNOLOGY HW, STORAGE & PERIP	0.23%
SEMICONDUCTORS & SEMICONDUCTOR	0.15%
ELECTRONIC EQUIP, INSTRUMENT &	0.08%
ENERGY	1.99%
OIL, GAS & CONSUMABLE FUELS	1.99%
REAL ESTATE	1.86%
REAL ESTATE MANAGEMENT & DEVEL	1.35%
EQUITY RE INVESTMENT TRUSTS (R	0.50%
MATERIALS	1.14%
CONTAINERS & PACKAGING	1.14%

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

The Fund does not currently commit to investing in any "environmentally sustainable investment' within the meaning of the Taxonomy Regulation.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]

Yes:

In fossil gas In nuclear energy

X **No**

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

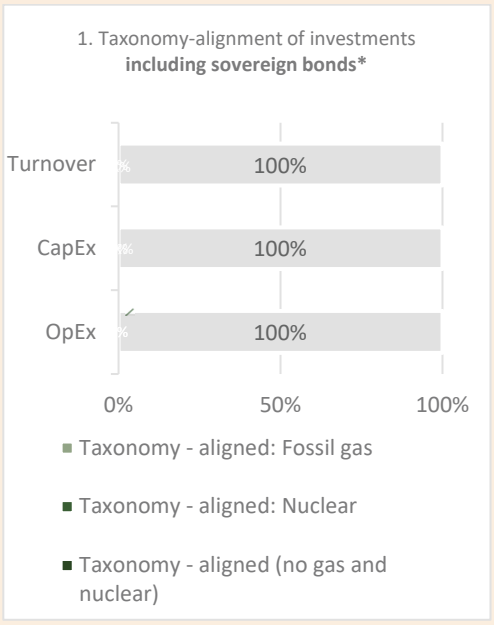
Taxonomy-aligned activities are expressed as a share of:

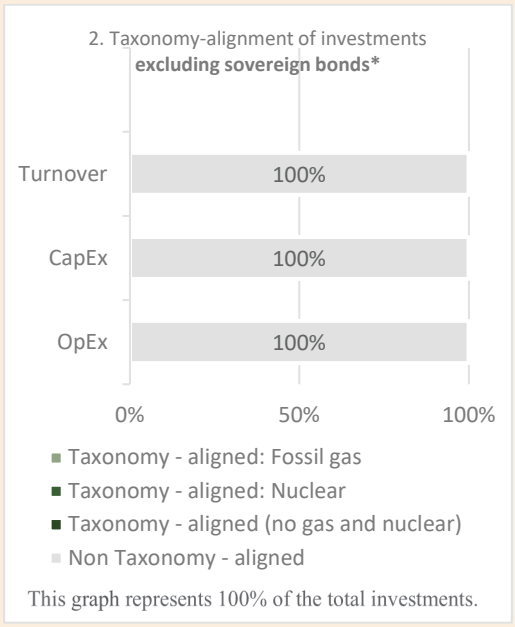
-**turnover** reflecting the share of revenue from green activities of investee companies.

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

As the Fund does not commit to invest any "environmentally sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A – first reporting period. No comparison available.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Fund promotes environmental and social characteristics but does not commit to making any environmentally sustainable investments. As a consequence, the Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

N/A

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

At year end, the Fund held 0.82% of its assets in cash, cash equivalents or use financial derivative instruments at the Investment Manager’s discretion, which would be classified under #2 Other in the above table. Such assets are not aligned with environmental and social characteristics nor are there any environmental or social safeguards in place.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The environmental and social characteristics promoted by the Fund is the negative and norms-based screen applied to the portfolio of the Fund to screen out securities based on an assessment of their adherence to ESG criteria, i.e. international norms in relation to environmental protection, human rights, labour standards, anti-corruption and controversial weapons.

In implementing the Investment Policy of the Fund, securities in the Fund were selected primarily from the constituents of the Index and the Investment Manager applied the negative and norms-based ESG screen prior to the construction of the portfolio of the Fund and on an ongoing basis throughout the reference period. This resulted in the exclusion of any securities from the portfolio based on an assessment of their adherence to certain ESG criteria defined by the Investment Manager. The Fund screened out securities identified as being non-compliant with UN Global Compact Principles relating to environmental protection, human rights, labour standards and anti-corruption, as well as controversial weapons.

How did this financial product perform compared to the reference benchmark?

The Fund does not designate a reference benchmark to determine whether the Fund is aligned with the environmental and / or social characteristics that it promotes.

Dynamic Global Bond Fund

Legal entity identifier: 549300EZGJHY7GNVPY28

1 October to 31 December 2022

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** _____%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of _____% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** _____%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reference period the promotion of environmental and/or social ("E/S") characteristics was achieved by meeting the Fund's commitment to:

- Avoid sectors or companies, whose activities may be considered harmful to the environment and/or society through the application of its proprietary responsible screen (the T. Rowe Price Responsible Exclusion List)*.
- Maintain at least 50% of the value of its portfolio invested in issuers and/or securities that are rated "Green" by T. Rowe Price proprietary Responsible Investor Indicator Model ("RIIM"). More details on the approach to identifying these investments can be found in the prospectus.

* From 1 January 2023 the E/S characteristics promoted by the Fund changed. Please refer to the latest prospectus for more information.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The sustainability indicators performed as follows:

- The Fund did not hold any securities that were included in the T. Rowe Price Responsible Exclusion List.
- As at 31 December 2022, 87.0% of the value of the Fund's portfolio was invested in issuers and/or securities that were rated "Green" by RIIM.

T. Rowe Price calculates the proportion of RIIM green-rated investments during a reference period by averaging quarter-end portfolio measurements. As the Fund's commitment took effect from 1 October 2022, the sustainability indicator reflects their proportion on 31 December 2022.

Dynamic Global Bond Fund continued

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable as the Fund has not committed to make sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable as the Fund has not committed to make sustainable investments.

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 fund that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other Sustainable Investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Fund made a commitment to consider the following PAI indicators:

- investee countries subject to social violations (PAI #16)

PAI Indicator	Unit of Measurement	Value (%)	Fund Coverage (%)*
Investee countries subject to social violations (PAI #16)	Percentage of Fund invested	0.0	93.4

* Fund coverage represents the proportion of investments for which PAI data is available and applicable. The proportion of the Fund that is uncovered consisted of cash and derivatives used for efficient portfolio management.

The Fund considers PAI #16 by restricting investment in countries the investment manager identifies are subject to social violations. These restrictions are implemented systematically via the T. Rowe Price Responsible Exclusion List. For the reference period, the Fund's exposure to countries subject to social violations was zero. Since this PAI value cannot be improved, the investment manager is not planning any engagement or investment action. The investment manager will continue to monitor this on an ongoing basis.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 October to 31 December 2022

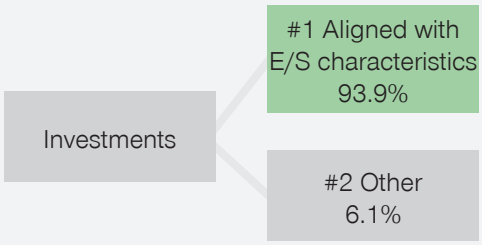
Largest Investments	Sector	% Assets	Country
U.S. Treasury Notes	US Govt & Agencies	20.0	United States
United Kingdom Inflation-Linked Gilt	Government	12.0	United Kingdom
Mexican Bonos	Government	7.7	Mexico
Deutsche Bundesrepublik Inflation Linked Bond	Government	6.0	Germany
Brazil Notas do Tesouro Nacional Serie F	Government	5.4	Brazil
Republic of South Africa Government Bond	Government	5.0	South Africa
Japan Government Thirty Year Bond	Government	2.9	Japan
Thailand Government Bond	Government	2.6	Thailand
Serbia Treasury Bonds	Government	2.3	Serbia
Bonos de la Tesoreria de la Republica en pesos	Government	2.1	Chile
Hungary Government Bond	Government	2.1	Hungary
Romania Government Bond	Government	2.1	Romania
New Zealand Government Bond	Government	2.0	New Zealand
Israel Government Bond - Fixed	Government	2.0	Israel
LCH Group Holdings	Corporate High Grade	1.8	United Kingdom

Dynamic Global Bond Fund continued

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

In which economic sectors were the investments made?

Sector	% Assets
Government	59.9
US Govt & Agencies	20.3
Corporate High Grade	9.5
Mortgage Backed Securities	2.8
Emerging Market Corporate	2.2
Corporate High Yield	1.7
Tax-Free Gen. Obligations	0.4

Sector	% Assets
Financial Futures	0.3
Index	0.1
Asset Backed Securities	0.0
Cash/Reserves	2.6

Dynamic Global Bond Fund continued

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

The actual proportion of Taxonomy-aligned investments held by the Fund as at 31 December 2022 was 0.0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

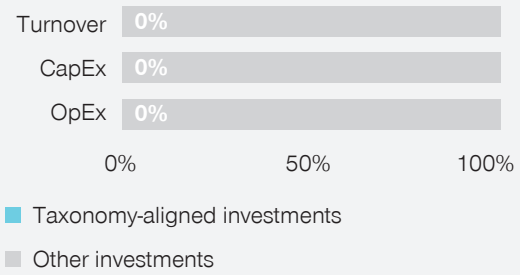
☐ In fossil gas ☐ In nuclear energy

☒ No

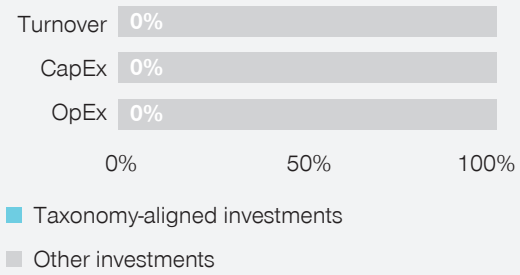
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional activities was 0.0% and in enabling activities was 0.0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Fund did not commit to making sustainable investments and therefore the investment manager has not assessed the Fund's portfolio alignment with the SFDR sustainable investment criteria.

What was the share of socially sustainable investments?

The Fund did not commit to making sustainable investments and therefore the investment manager has not assessed the Fund's portfolio alignment with the SFDR sustainable investment criteria.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

These investments included cash positions held as ancillary liquidity and certain derivatives used for hedging and efficient portfolio management which are not screened by the T. Rowe Price Responsible Exclusion List and do not contribute to the Fund's promotion of environmental and/or social characteristics. The investment manager did not apply any minimum environmental or social safeguards to these investments.

Dynamic Global Bond Fund continued



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Proprietary responsible screen:

The Fund avoided sectors or companies, whose activities may be considered harmful to the environment and/or society, as per the T. Rowe Price Responsible Exclusion List, the investment manager's proprietary responsible screen.

These restrictions are automated within the investment manager's internal investment compliance system. Adherence to them is monitored by its investment compliance team on a pre-trade, post-trade and portfolio basis.

The constituents of the T. Rowe Price Responsible Exclusion List are monitored by the investment manager's ESG specialists using third-party data. While changes can be made at any time, a full review is conducted quarterly.

The investment manager conducts compliance reviews on an on-going basis throughout the year to ensure the Fund is subject to the exclusions and reports quarterly to the Board of Directors of T. Rowe Price Funds SICAV.

There have been no breaches of the T. Rowe Price Responsible Exclusion List identified during the reference period.

Commitment to RIIM green-rated issuers:

As at 31 December 2022, 87.0% of the value of the Fund's portfolio was invested in securities that were rated "Green" in RIIM.

In determining whether an issuer or security is rated "Green" in RIIM, the investment manager took into account the following E/S factors, as applicable, to sovereign and corporate investments. Each E/S factor was scored using the investment manager's proprietary methodology and an overall issuer/security profile score was assigned on a weighted average basis. This means that not all E/S factors described below may have positively contributed to an issuer's "Green" profile score and those E/S factors that did positively contribute may change over time.

As the Fund's RIIM green-rated investment commitment took effect from 1 October 2022, the calculation was made as at 31 December 2022.

Sovereign investments	
Environmental	Energy and emissions
	Freshwater
	Climate risk
	Biodiversity
	Use of natural capital
Social	Demographics
	Safety
	Health
	Education and employment
	Infrastructure
	Equality

Corporate investments	
Environmental	Operations
	Environment end product
Social	Human capital
	Society
	Social end product



How did this financial product perform compared to the reference benchmark?

A reference benchmark is not used for the purpose of promoting the Fund's E/S characteristics.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

European Equity Fund

Legal entity identifier: NMYAFKSXOFHN1LOP5G94

1 October to 31 December 2022

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** _____%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 49.2% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** _____%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reference period the promotion of environmental and/or social ("E/S") characteristics was achieved by meeting the Fund's commitment to:

- Avoid sectors or companies, whose activities may be considered harmful to the environment and/or society through the application of its proprietary responsible screen (the T. Rowe Price Responsible Exclusion List)*.
- Maintain at least 10% of the value of its portfolio invested in sustainable investments.

* From 1 January 2023 the E/S characteristics promoted by the Fund changed. Please refer to the latest prospectus for more information.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The sustainability indicators performed as follows:

- The Fund did not hold any securities that were included in the T. Rowe Price Responsible Exclusion List.
- As at 31 December 2022, 49.2% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

T. Rowe Price calculates the proportion of sustainable investments during a reference period by averaging quarter-end portfolio measurements. As the Fund's sustainable investment commitment took effect from 1 October 2022, the sustainability indicator reflects the sustainable investment proportion on 31 December 2022.

European Equity Fund continued

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund invested in sustainable investments that have E and S objectives. No minimum exposure to either objective was imposed upon the Fund. The Fund used the following E/S pillars that align to the UN Sustainable Development Goals ("SDGs") to determine economic activities that contributed to E/S objectives:

Pillar	Activities
Climate and resource impact	Reducing greenhouse gases
	Promoting healthy ecosystems
	Nurturing circular economies
Social equity and quality of life	Enabling social equity
	Improving health
	Enhancing quality of life

An issuer's sustainable contribution is measured as a percentage of its revenue generated from sustainable economic activities.

The Fund held investments in companies which, through their products or services, were aligned to economic activities that contributed to the following objectives:

- reducing greenhouse gases
- promoting healthy ecosystems
- nurturing circular economies
- enabling social equality
- improving health
- enhancing quality of life

More details on the approach to identifying sustainable investments can be found on the website: www.funds.troweprice.com

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The investment manager utilises its proprietary internal research platform to support its assessment of whether an issuer is causing significant harm to any E/S objective. Combined with third-party data, the "do no significant harm" assessment incorporates issuer information in relation to Principal Adverse Impact ("PAI") indicators and alignment to certain international guidelines and principles.

All investments that the investment manager has determined as sustainable have been assessed against all relevant PAI indicators and OECD guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights. Based on this assessment, the sustainable investments held by the Fund did not significantly harm any environmental or social objectives.

Do No Significant Harm (DNSH)	OECD Guidelines & Human Rights	Supply Chain
		Employee Treatment
		Society & Community Relations
		General Corporate
		Involvement in extreme ESG breaches of international norms
	PAI Indicators	GHG Emissions
		Biodiversity
		Water, Waste & Material Emissions
		Social & Employee Matters
		Exposure to Controversial Weapons

How were the indicators for adverse impacts on sustainability factors taken into account?

The table above illustrates the framework the investment manager applies to systematically assess DNSH as a part of its investment process, which is inclusive of both PAI indicators and OECD guidelines and human rights principles. Where issuer data for a PAI indicator is unavailable the investment manager used proxy PAI indicators that aligned to the mandatory PAI sub-categories described in the table above.

The investment manager determined whether significant harm was being caused by applying a qualitative and quantitative assessment of the data it has obtained for the mandatory PAI indicators listed in Table 1 and any relevant indicators in Tables 2 and 3 of Annex I of the SFDR Delegated Regulation. The investment manager also analysed issuer PAI metrics relative to internally set thresholds, where relevant and appropriate. These thresholds provided an initial indication of whether significant harm is occurring.

European Equity Fund continued

The investment manager undertook further analysis to support its view, where necessary. The investment manager considered the materiality of a given indicator relative to an issuer's industry, sector, or location, which was factored into the overall determination. Where sufficient data was not available, other relevant data points were used to make an assessment.

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

  Yes, all sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights and related standards and OECD Guidelines for Multinational Enterprises during the reference period.

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 fund that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other Sustainable Investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Fund made a commitment to consider the following PAI indicators:

- violations of UN Global Compact principles (PAI #10)
- board gender diversity (PAI #13)
- exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (PAI #14)

PAI Indicator	Unit of Measurement	Value (%)	Fund Coverage (%)*
Violations of UN Global Compact principles (PAI #10)	Percentage of Fund invested	0.0	96.9
Board gender diversity (PAI #13)	Average percentage of female board members	36.6	96.9
Exposure to controversial weapons (PAI #14)	Percentage of Fund invested	0.0	96.9

* Fund coverage represents the proportion of investments for which PAI data is available and applicable. The proportion of the Fund that is uncovered consisted of cash and derivatives used for efficient portfolio management.

The Fund considers Violations of UN Global Compact principles (PAI #10) and Exposure to controversial weapons (PAI #14) by restricting investment in companies the investment manager identifies as violating UNGC principles and/or having exposure to controversial weapons. These restrictions are implemented systematically through the T. Rowe Price Responsible Exclusion List. For the reference period, the Fund's exposure to controversial weapons and violations of UN Global Compact was zero. Since these PAI values cannot be improved, the investment manager is not planning any engagement or investment action. The investment manager will continue to monitor these on an ongoing basis.

The Fund considers Board gender diversity (PAI #13) by periodically collecting issuer-level PAI data, aggregating the data and averaging this over the reference period to provide a portfolio-level view of the indicator. In accordance with its PAI policy (available at www.troweprice.com/esg), the investment manager evaluates the portfolio-level view at least annually to identify and prioritise stewardship or investment action, where appropriate. Following this evaluation, the investment manager has updated its diversity expectations, which feed through to its engagement programs and voting policies as follows, in order to pursue an improvement in this figure.

Diversity can be defined across a number of dimensions. However, if a board is to be considered meaningfully diverse in the investment manager's view, some diversity across gender, ethnic, or nationality lines must be present. For companies in EMEA, if no evidence of board diversity is found, the investment manager generally will engage with the company and, in the case of equity holdings, generally opposes the re-elections of Governance Committee members and/or senior executives, as appropriate.

European Equity Fund continued

In markets where there is a well-established expectation for board diversity (regulatory, quasi-regulatory or listing standards), the investment manager will generally apply the same expectation.

During 2023, in the U.K. market, the minimum expectation for board diversity within FTSE 350 companies will rise to 40% representation of the minority gender. Additionally, the investment manager will continue with its expectation that company boards in the FTSE 100 should include at least one director from an underrepresented ethnic or racial group. For smaller companies in this market, the diversity policy is applied to single-gender boards.

Continuing what has started in 2022:

- In the Continental European markets the investment manager's minimum expectation for board diversity of companies on the main listing is that they should be at least 30% diverse by gender. For smaller companies in these markets, the diversity policy is applied to single-gender boards.
- In markets elsewhere in EMEA the diversity policy is applied to single-gender boards.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 October to 31 December 2022

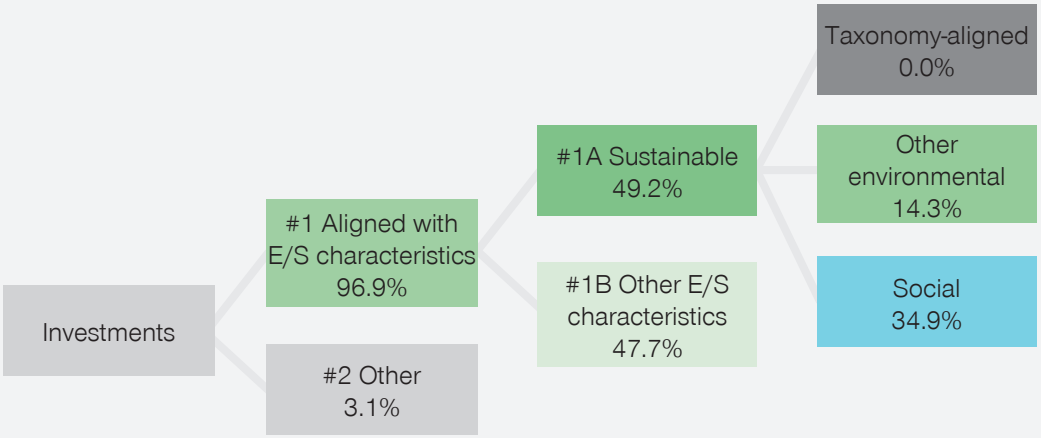
Largest Investments	Sector	% Assets	Country
ASML Holding	Information Technology	3.9	Netherlands
AstraZeneca	Health Care	3.9	United Kingdom
LVMH Moet Hennessy Louis Vuitton	Consumer Discretionary	3.7	France
Roche Holding	Health Care	3.3	Switzerland
Siemens	Industrials & Business Services	2.7	Germany
Shell	Products & DevicesEnergy	2.7	United Kingdom
Deutsche Telekom	Communication Services	2.6	Germany
ING Groep	Financials	2.2	Netherlands
Iberdrola	Utilities	2.0	Spain
Essity	Consumer Staples	2.0	Sweden
EssilorLuxottica	Health Care	1.8	France
Amadeus IT	Information Technology	1.8	Spain
Sanofi	Health Care	1.8	France
Enel	Utilities	1.8	Italy
Jeronimo Martins	Consumer Staples	1.7	Portugal

European Equity Fund continued

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

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

In which economic sectors were the investments made?

Sector	% Assets
Health Care	18.5
Financials	18.1
Industrials & Business Services	15.5
Consumer Discretionary	10.2
Consumer Staples	7.4
Information Technology	6.7
Materials	5.9
Communication Services	5.6

Sector	% Assets
Energy	3.9
Utilities	3.8
Real Estate	1.4
Cash/Reserves	3.3

European Equity Fund continued

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

The actual proportion of Taxonomy-aligned investments held by the Fund as at 31 December 2022 was 0.0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

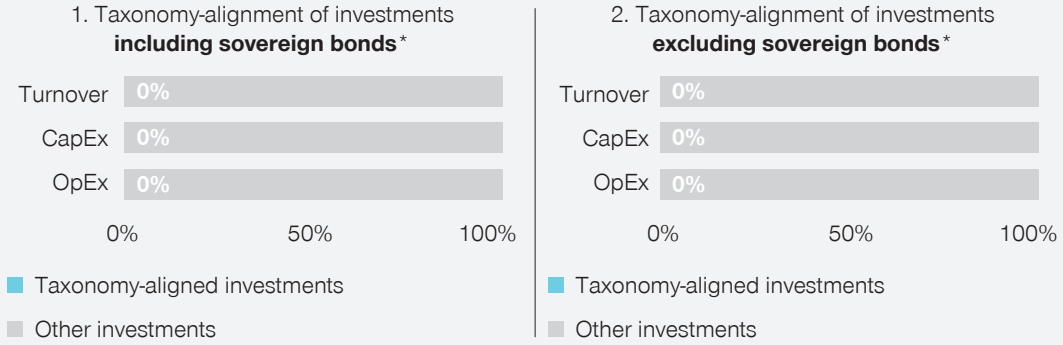
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional activities was 0.0% and in enabling activities was 0.0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU taxonomy was 14.3%.

Sustainable investments may not be EU Taxonomy aligned for a number of reasons, including:

- The Fund does not currently commit to investing any of its assets in investments aligned with the EU Taxonomy.
- In order to demonstrate EU Taxonomy alignment, the EU Taxonomy Regulation prescribes specific criteria that the investment manager must assess the assets for. These requirements rely heavily on data availability and reliability. Many issuers are currently not required to comply with the Taxonomy disclosure requirements, making it difficult to obtain the data needed to assess Taxonomy alignment.
- Not all economic activities are covered by the EU Taxonomy as it is not possible to develop criteria for all sectors where activities could make a substantial contribution to the environment. Where developed, not all criteria were in place to apply for the reporting period.

European Equity Fund continued

What was the share of socially sustainable investments?

The share of socially sustainable investments was 34.9%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

These investments included cash positions held as ancillary liquidity and certain derivatives used for hedging and efficient portfolio management which are not screened by the T. Rowe Price Responsible Exclusion List and do not contribute to the Fund's promotion of environmental and/or social characteristics. The investment manager did not apply any minimum environmental or social safeguards to these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Proprietary responsible screen:

The Fund avoided sectors or companies, whose activities may be considered harmful to the environment and/or society, as per the T. Rowe Price Responsible Exclusion List, the investment manager's proprietary responsible screen.

These restrictions are automated within the investment manager's internal investment compliance system. Adherence to them is monitored by its investment compliance team on a pre-trade, post-trade and portfolio basis.

The constituents of the T. Rowe Price Responsible Exclusion List are monitored by the investment manager's ESG specialists using third-party data. While changes can be made at any time, a full review is conducted quarterly.

The investment manager conducts compliance reviews on an on-going basis throughout the year to ensure the Fund is subject to the exclusions and reports quarterly to the Board of Directors of T. Rowe Price Funds SICAV.

There have been no breaches of the T. Rowe Price Responsible Exclusion List identified during the reference period.

Sustainable investment commitment:

As at 31 December 2022, 49.2% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

The sustainable investments have been identified using the following steps:

The investment manager identified each investee company's contribution to an E/S objective based on the company's revenue derived from that specific sustainable activity, or through its use of proceeds from bond sales. The sustainable investment exposure for each company was aggregated by the investment manager. This means that only the proportion of the investment contributing to a sustainable activity by an investee company was counted towards meeting the Fund's minimum 10% commitment.

The investment manager has adopted a robust process to consistently identify whether a company causes significant harm to an E/S objective and incorporates PAIs into that assessment, where appropriate on an issuer-by-issuer basis. Its "do no significant harm" assessment is comprised of both proprietary research and third-party data inputs, including data in relation to PAI where relevant to the issuer and/or sector. The investment manager assessed whether the company caused significant harm by setting and monitoring thresholds, where relevant and appropriate, relative to PAI indicators, and whether it has been involved in significant controversies related to the OECD guidelines for multinational enterprises and UNGPs on business and human rights. If the activity breached the set thresholds, regardless of the percentage of revenue alignment (or use of bond proceeds) to an E/S objective, the company failed the sustainable investment test.

The investment manager also assessed the governance practices of an investee company by undertaking:

- A quantitative review using the investment manager's good governance test which consists of weighted pillars designed to measure specific corporate governance risks, rolled up to an overall rating, and
- A qualitative review by the governance team if a company's good governance test rating is red, taking into account market and sector norms.

All investments held by the Fund that contributed to a specific E/S objective and passed "do no significant harm" as well as good governance assessments, as detailed above, contributed towards the Fund's overall exposure to sustainable investments.

European Equity Fund continued



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

A reference benchmark is not used for the purpose of promoting the Fund's E/S characteristics.

European High Yield Bond Fund

Legal entity identifier: D6CRYMMPK4VCN6ZMXG43

1 January to 31 December 2022

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** _____%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 28.6% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** _____%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

The above describes the characteristics of the Fund as at 31 December 2022. Prior to 1 October 2022 the Fund promoted environmental and/or social ("E/S") characteristics but did not commit to investing in sustainable investments.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reference period the promotion of E/S characteristics was achieved by meeting the Fund's commitment to:

- Avoid sectors or companies, whose activities may be considered harmful to the environment and/or society through the application of its proprietary responsible screen (the T. Rowe Price Responsible Exclusion List)*.
- From 1 October 2022, maintain at least 10% of the value of its portfolio invested in sustainable investments.

* From 1 January 2023 the E/S characteristics promoted by the Fund changed. Please refer to the latest prospectus for more information.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The sustainability indicators performed as follows:

- The Fund did not hold any securities that were included in the T. Rowe Price Responsible Exclusion List.
- As at 31 December 2022, 28.6% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

T. Rowe Price calculates the proportion of sustainable investments during a reference period by taking quarter-end portfolio measurements and averaging these over four quarters. As the Fund's sustainable investment commitment took effect from 1 October 2022, the sustainability indicator reflects the sustainable investment proportion on 31 December 2022.

European High Yield Bond Fund continued

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

From 1 October 2022, the Fund invested in sustainable investments that have E and S objectives. No minimum exposure to either objective was imposed upon the Fund. The Fund used the following E/S pillars that align to the UN Sustainable Development Goals ("SDGs") to determine economic activities that contributed to E/S objectives:

Pillar	Activities
Climate and resource impact	Reducing greenhouse gases
	Promoting healthy ecosystems
	Nurturing circular economies
Social equity and quality of life	Enabling social equity
	Improving health
	Enhancing quality of life

An issuer's sustainable contribution is measured as a percentage of its revenue generated from sustainable economic activities, or through its use of proceeds from bond sales used to fund sustainable economic activities.

The Fund held investments in companies which, through their products or services, were aligned to economic activities that contributed to the following objectives:

- reducing greenhouse gases
- promoting healthy ecosystems
- nurturing circular economies
- enabling social equality
- improving health
- enhancing quality of life

More details on the approach to identifying sustainable investments can be found on the website: www.funds.troweprice.com

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The investment manager utilises its proprietary internal research platform to support its assessment of whether an issuer is causing significant harm to any E/S objective. Combined with third-party data, the "do no significant harm" assessment incorporates issuer information in relation to Principal Adverse Impact ("PAI") indicators and alignment to certain international guidelines and principles.

Since 1 October 2022, all investments that the investment manager has determined as sustainable have been assessed against all relevant PAI indicators and OECD guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights. Based on this assessment, the sustainable investments held by the Fund did not significantly harm any environmental or social objectives.

Do No Significant Harm (DNSH)	OECD Guidelines & Human Rights	Supply Chain
		Employee Treatment
		Society & Community Relations
		General Corporate
		Involvement in extreme ESG breaches of international norms
	PAI Indicators	GHG Emissions
		Biodiversity
		Water, Waste & Material Emissions
		Social & Employee Matters
		Exposure to Controversial Weapons

How were the indicators for adverse impacts on sustainability factors taken into account?

The table above illustrates the framework the investment manager applies to systematically assess DNSH as a part of its investment process, which is inclusive of both PAI indicators and OECD guidelines and human rights principles. Where issuer data for a PAI indicator is unavailable the investment manager used proxy PAI indicators that aligned to the mandatory PAI sub-categories described in the table above.

The investment manager determined whether significant harm was being caused by applying a qualitative and quantitative assessment of the data it has obtained for the mandatory PAI indicators listed in Table 1 and any relevant indicators in Tables 2 and 3 of Annex I of the SFDR Delegated Regulation. The investment manager also analysed issuer PAI metrics relative to internally set thresholds, where relevant and appropriate. These thresholds provided an initial indication of whether significant harm is occurring.

European High Yield Bond Fund continued

The investment manager undertook further analysis to support its view, where necessary. The investment manager considered the materiality of a given indicator relative to an issuer's industry, sector, or location, which was factored into the overall determination. Where sufficient data was not available, other relevant data points were used to make an assessment.

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

  Yes, all sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights and related standards and OECD Guidelines for Multinational Enterprises during the reference period.

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 fund that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other Sustainable Investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

From 1 July 2022, the Fund made a commitment to consider the following PAI indicators:

- violations of UN Global Compact principles (PAI #10)
- board gender diversity (PAI #13)
- exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (PAI #14)

PAI Indicator	Unit of Measurement	Value (%)	Fund Coverage (%)*
Violations of UN Global Compact principles (PAI #10)	Percentage of Fund invested	0.0	95.2
Board gender diversity (PAI #13)	Average percentage of female board members	15.8	95.2
Exposure to controversial weapons (PAI #14)	Percentage of Fund invested	0.0	95.2

* Fund coverage represents the proportion of investments for which PAI data is available and applicable. The proportion of the Fund that is uncovered consisted of cash and derivatives used for efficient portfolio management.

The Fund considers Violations of UN Global Compact principles (PAI #10) and Exposure to controversial weapons (PAI #14) by restricting investment in companies the investment manager identifies as violating UNGC principles and/or having exposure to controversial weapons. These restrictions are implemented systematically through the T. Rowe Price Responsible Exclusion List. For the reference period, the Fund's exposure to controversial weapons and violations of UN Global Compact was zero. Since these PAI values cannot be improved, the investment manager is not planning any engagement or investment action. The investment manager will continue to monitor these on an ongoing basis.

The Fund considers Board gender diversity (PAI #13) by periodically collecting issuer-level PAI data, aggregating the data and averaging this over the reference period to provide a portfolio-level view of the indicator. In accordance with its PAI policy (available at www.troweprice.com/esg), the investment manager evaluates the portfolio-level view at least annually to identify and prioritise stewardship or investment action, where appropriate. Following this evaluation, the investment manager has updated its diversity expectations, which feed through to its engagement programs and voting policies as follows, in order to pursue an improvement in this figure.

Diversity can be defined across a number of dimensions. However, if a board is to be considered meaningfully diverse in the investment manager's view, some diversity across gender, ethnic, or nationality lines must be present. For companies in EMEA, if no evidence of board diversity is found, the investment manager generally will engage with the company and, in the case of equity holdings, generally opposes the re-elections of Governance Committee members and/or senior executives, as appropriate.

European High Yield Bond Fund continued

In markets where there is a well-established expectation for board diversity (regulatory, quasi-regulatory or listing standards), the investment manager will generally apply the same expectation.

During 2023, in the U.K. market, the minimum expectation for board diversity within FTSE 350 companies will rise to 40% representation of the minority gender. Additionally, the investment manager will continue with its expectation that company boards in the FTSE 100 should include at least one director from an underrepresented ethnic or racial group. For smaller companies in this market, the diversity policy is applied to single-gender boards.

Continuing what has started in 2022:

- In the Continental European markets the investment manager's minimum expectation for board diversity of companies on the main listing is that they should be at least 30% diverse by gender. For smaller companies in these markets, the diversity policy is applied to single-gender boards.
- In markets elsewhere in EMEA the diversity policy is applied to single-gender boards.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January to 31 December 2022

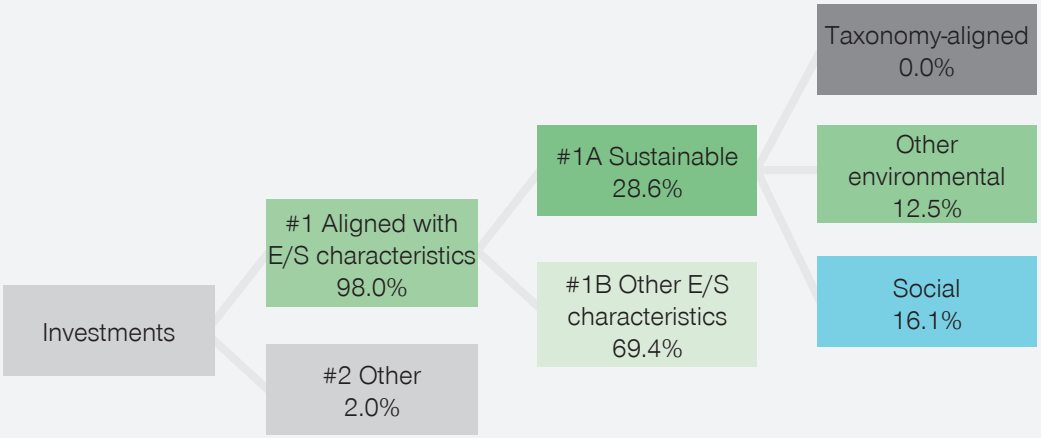
Largest Investments	Sector	% Assets	Country
eG Global Finance	Services	2.6	United Kingdom
Titan Holdings II BV	Container	2.5	Netherlands
Iceland Bondco	Supermarkets	2.2	United Kingdom
Maison Finco	Building & Real Estate	2.1	United Kingdom
Deuce Finco Plc	Entertainment & Leisure	2.1	United Kingdom
Ardagh Metal Packaging Finance USA LLC / Ardagh Metal Packaging Finance	Container	2.1	United States
Inter Media & Communication	Broadcasting	2.1	Italy
Golden Goose SpA/Milano	Retail	2.0	Italy
Albion Financing 1 SARL / Aggreko Holdings	Services	2.0	Luxembourg
United Group BV	Cable Operators	2.0	Netherlands
Constellium	Metals & Mining	1.9	United States
Altice France Holding	Cable Operators	1.9	Luxembourg
Victoria	Building Products	1.9	United Kingdom
Altice Finco	Cable Operators	1.9	Luxembourg
Virgin Media Vendor Financing Notes III DAC	Cable Operators	1.8	United Kingdom

European High Yield Bond Fund continued

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

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

During the reference period the Fund promoted E/S characteristics by avoiding investing in companies and/or sectors that may be considered harmful to the environment and/or society according to the T. Rowe Price Responsible Exclusion List.

From 1 October 2022 the Fund made a commitment to invest at least 10% of the value of its portfolio in sustainable investments.

In which economic sectors were the investments made?

Sector	% Assets
Services	15.6
Cable Operators	12.8
Automotive	8.3
Healthcare	7.8
Financial	7.6
Entertainment & Leisure	5.6
Container	4.6
Supermarkets	4.3
Building & Real Estate	4.3
Broadcasting	4.2
Building Products	3.6
Forest Products	3.0

Sector	% Assets
Wireless Communications	2.9
Metals & Mining	2.8
Retail	2.0
Chemicals	1.4
Insurance	1.4
Manufacturing	1.2
Other Telecommunications	1.1
Other	3.3
Cash/Reserves	2.0

European High Yield Bond Fund continued

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

The actual proportion of Taxonomy-aligned investments held by the Fund as at 31 December 2022 was 0.0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

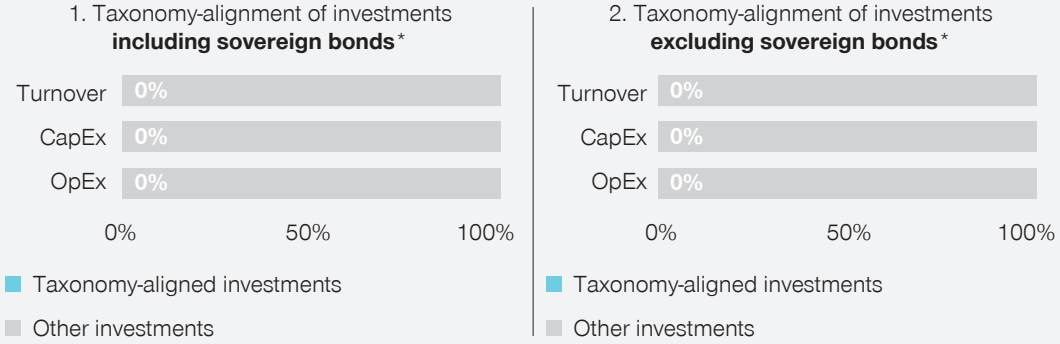
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional activities was 0.0% and in enabling activities was 0.0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU taxonomy was 12.5%.

Sustainable investments may not be EU Taxonomy aligned for a number of reasons, including:

- The Fund does not currently commit to investing any of its assets in investments aligned with the EU Taxonomy.
- In order to demonstrate EU Taxonomy alignment, the EU Taxonomy Regulation prescribes specific criteria that the investment manager must assess the assets for. These requirements rely heavily on data availability and reliability. Many issuers are currently not required to comply with the Taxonomy disclosure requirements, making it difficult to obtain the data needed to assess Taxonomy alignment.
- Not all economic activities are covered by the EU Taxonomy as it is not possible to develop criteria for all sectors where activities could make a substantial contribution to the environment. Where developed, not all criteria were in place to apply for the reporting period.

European High Yield Bond Fund continued

What was the share of socially sustainable investments?

The share of socially sustainable investments was 16.1%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

These investments included cash positions held as ancillary liquidity and certain derivatives used for hedging and efficient portfolio management which are not screened by the T. Rowe Price Responsible Exclusion List and do not contribute to the Fund's promotion of environmental and/or social characteristics. The investment manager did not apply any minimum environmental or social safeguards to these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Proprietary responsible screen:

The Fund avoided sectors or companies, whose activities may be considered harmful to the environment and/or society, as per the T. Rowe Price Responsible Exclusion List, the investment manager's proprietary responsible screen.

These restrictions are automated within the investment manager's internal investment compliance system. Adherence to them is monitored by its investment compliance team on a pre-trade, post-trade and portfolio basis.

The constituents of the T. Rowe Price Responsible Exclusion List are monitored by the investment manager's ESG specialists using third-party data. While changes can be made at any time, a full review is conducted quarterly.

The investment manager conducts compliance reviews on an on-going basis throughout the year to ensure the Fund is subject to the exclusions and reports quarterly to the Board of Directors of T. Rowe Price Funds SICAV.

There have been no breaches of the T. Rowe Price Responsible Exclusion List identified during the reference period.

Sustainable investment commitment:

As at 31 December 2022, 28.6% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

The sustainable investments have been identified using the following steps:

The investment manager identified each investee company's contribution to an E/S objective based on the company's revenue derived from that specific sustainable activity, or through its use of proceeds from bond sales. The sustainable investment exposure for each company was aggregated by the investment manager. This means that only the proportion of the investment contributing to a sustainable activity by an investee company was counted towards meeting the Fund's minimum 10% commitment.

The investment manager has adopted a robust process to consistently identify whether a company causes significant harm to an E/S objective and incorporates PAIs into that assessment, where appropriate on an issuer-by-issuer basis. Its "do no significant harm» assessment is comprised of both proprietary research and third-party data inputs, including data in relation to PAI where relevant to the issuer and/or sector. The investment manager assessed whether the company caused significant harm by setting and monitoring thresholds, where relevant and appropriate, relative to PAI indicators, and whether it has been involved in significant controversies related to the OECD guidelines for multinational enterprises and UNGPs on business and human rights. If the activity breached the set thresholds, regardless of the percentage of revenue alignment (or use of bond proceeds) to an E/S objective, the company failed the sustainable investment test.

The investment manager also assessed the governance practices of an investee company by undertaking:

- A quantitative review using the investment manager's good governance test which consists of weighted pillars designed to measure specific corporate governance risks, rolled up to an overall rating, and
- A qualitative review by the governance team if a company's good governance test rating is red, taking into account market and sector norms.

All investments held by the Fund that contributed to a specific E/S objective and passed "do no significant harm» as well as good governance assessments, as detailed above, contributed towards the Fund's overall exposure to sustainable investments.

European High Yield Bond Fund continued



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

A reference benchmark is not used for the purpose of promoting the Fund's E/S characteristics.

US Equity Fund

Legal entity identifier: KWR8UEVM6WRT0Q148C22

1 October to 31 December 2022

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** _____%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 39.8% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** _____%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

During the reference period the promotion of environmental and/or social ("E/S") characteristics was achieved by meeting the Fund's commitment to:

- Avoid sectors or companies, whose activities may be considered harmful to the environment and/or society through the application of its proprietary responsible screen (the T. Rowe Price Responsible Exclusion List)*.
- Maintain at least 10% of the value of its portfolio invested in sustainable investments.

* From 1 January 2023 the E/S characteristics promoted by the Fund changed. Please refer to the latest prospectus for more information.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The sustainability indicators performed as follows:

- The Fund did not hold any securities that were included in the T. Rowe Price Responsible Exclusion List.
- As at 31 December 2022, 39.8% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

T. Rowe Price calculates the proportion of sustainable investments during a reference period by averaging quarter-end portfolio measurements. As the Fund's sustainable investment commitment took effect from 1 October 2022, the sustainability indicator reflects the sustainable investment proportion on 31 December 2022.

US Equity Fund continued

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Fund invested in sustainable investments that have E and S objectives. No minimum exposure to either objective was imposed upon the Fund. The Fund used the following E/S pillars that align to the UN Sustainable Development Goals ("SDGs") to determine economic activities that contributed to E/S objectives:

Pillar	Activities
Climate and resource impact	Reducing greenhouse gases
	Promoting healthy ecosystems
	Nurturing circular economies
Social equity and quality of life	Enabling social equity
	Improving health
	Enhancing quality of life

An issuer's sustainable contribution is measured as a percentage of its revenue generated from sustainable economic activities.

The Fund held investments in companies which, through their products or services, were aligned to economic activities that contributed to the following objectives:

- reducing greenhouse gases
- promoting healthy ecosysytems
- nurturing circular economies
- enabling social equality
- improving health
- enhancing quality of life

More details on the approach to identifying sustainable investments can be found on the website: www.funds.troweprice.com

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The investment manager utilises its proprietary internal research platform to support its assessment of whether an issuer is causing significant harm to any E/S objective. Combined with third-party data, the "do no significant harm" assessment incorporates issuer information in relation to Principal Adverse Impact ("PAI") indicators and alignment to certain international guidelines and principles.

All investments that the investment manager has determined as sustainable have been assessed against all relevant PAI indicators and OECD guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights. Based on this assessment, the sustainable investments held by the Fund did not significantly harm any environmental or social objectives.

Do No Significant Harm (DNSH)	OECD Guidelines & Human Rights	Supply Chain
		Employee Treatment
		Society & Community Relations
		General Corporate
		Involvement in extreme ESG breaches of international norms
	PAI Indicators	GHG Emissions
		Biodiversity
		Water, Waste & Material Emissions
		Social & Employee Matters
		Exposure to Controversial Weapons

How were the indicators for adverse impacts on sustainability factors taken into account?

The table above illustrates the framework the investment manager applies to systematically assess DNSH as a part of its investment process, which is inclusive of both PAI indicators and OECD guidelines and human rights principles. Where issuer data for a PAI indicator is unavailable the investment manager used proxy PAI indicators that aligned to the mandatory PAI sub-categories described in the table above.

The investment manager determined whether significant harm was being caused by applying a qualitative and quantitative assessment of the data it has obtained for the mandatory PAI indicators listed in Table 1 and any relevant indicators in Tables 2 and 3 of Annex I of the SFDR Delegated Regulation. The investment manager also analysed issuer PAI metrics relative to internally set thresholds, where relevant and appropriate. These thresholds provided an initial indication of whether significant harm is occurring.

US Equity Fund continued

The investment manager undertook further analysis to support its view, where necessary. The investment manager considered the materiality of a given indicator relative to an issuer's industry, sector, or location, which was factored into the overall determination. Where sufficient data was not available, other relevant data points were used to make an assessment.

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

  Yes, all sustainable investments were aligned with the UN Guiding Principles on Business and Human Rights and related standards and OECD Guidelines for Multinational Enterprises during the reference period.

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 fund that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other Sustainable Investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Fund made a commitment to consider the following PAI indicators:

- violations of UN Global Compact principles (PAI #10)
- board gender diversity (PAI #13)
- exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (PAI #14)

PAI Indicator	Unit of Measurement	Value (%)	Fund Coverage (%)*
Violations of UN Global Compact principles (PAI #10)	Percentage of Fund invested	0.0	99.7
Board gender diversity (PAI #13)	Average percentage of female board members	31.4	99.7
Exposure to controversial weapons (PAI #14)	Percentage of Fund invested	0.0	99.7

* Fund coverage represents the proportion of investments for which PAI data is available and applicable. The proportion of the Fund that is uncovered consisted of cash and derivatives used for efficient portfolio management.

The Fund considers Violations of UN Global Compact principles (PAI #10) and Exposure to controversial weapons (PAI #14) by restricting investment in companies the investment manager identifies as violating UNGC principles and/or having exposure to controversial weapons. These restrictions are implemented systematically through the T. Rowe Price Responsible Exclusion List. For the reference period, the Fund's exposure to controversial weapons and violations of UN Global Compact was zero. Since these PAI values cannot be improved, the investment manager is not planning any engagement or investment action. The investment manager will continue to monitor these on an ongoing basis.

The Fund considers Board gender diversity (PAI #13) by periodically collecting issuer-level PAI data, aggregating the data and averaging this over the reference period to provide a portfolio-level view of the indicator. In accordance with its PAI policy (available at www.troweprice.com/esg), the investment manager evaluates the portfolio-level view at least annually to identify and prioritise stewardship or investment action, where appropriate. Following this evaluation, the investment manager has updated its diversity expectations, which feed through to its engagement programs and voting policies as follows, in order to pursue an improvement in this figure.

Diversity can be defined across a number of dimensions. However, if a board is to be considered meaningfully diverse in the investment manager's view, some diversity across gender, ethnic, or nationality lines must be present. For companies in the Americas, if no evidence of board diversity is found, the investment manager generally will engage with the company and, in the case of equity holdings, generally opposes the re-elections of Governance Committee members and/or senior executives, as appropriate.

US Equity Fund continued



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 October to 31 December 2022

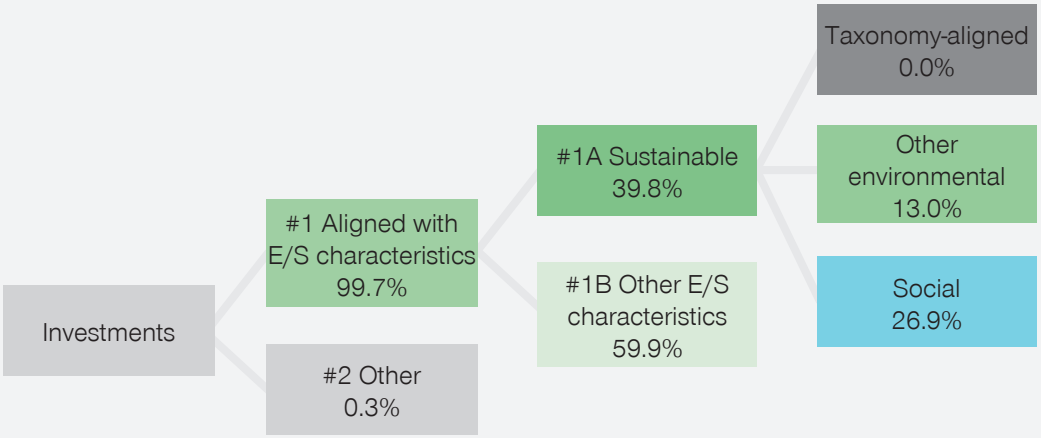
Largest Investments	Sector	% Assets	Country
Microsoft	Information Technology	6.5	United States
Alphabet	Communication Services	4.1	United States
Thermo Fisher Scientific	Health Care	2.9	United States
Visa	Information Technology	2.6	United States
Apple	Information Technology	2.2	United States
Elevance Health	Health Care	2.2	United States
Accenture	Information Technology	2.1	United States
UnitedHealth Group	Health Care	2.1	United States
Ameren	Utilities	2.1	United States
KLA	Information Technology	2.1	United States
JPMorgan Chase	Financials	1.8	United States
Booz Allen Hamilton	Industrials & Business Services	1.7	United States
Southern Company	Utilities	1.7	United States
Cummins	Industrials & Business Services	1.7	United States
Danaher	Health Care	1.7	United States

US Equity Fund continued

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 category **#1 Aligned with E/S characteristics** covers:

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

In which economic sectors were the investments made?

Sector	% Assets
Information Technology	24.8
Health Care	20.9
Industrials & Business Services	11.6
Consumer Staples	11.3
Financials	10.6
Consumer Discretionary	9.5

Sector	% Assets
Communication Services	5.2
Utilities	4.1
Materials	1.6
Cash/Reserves	0.4

US Equity Fund continued

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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

The actual proportion of Taxonomy-aligned investments held by the Fund as at 31 December 2022 was 0.0%.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

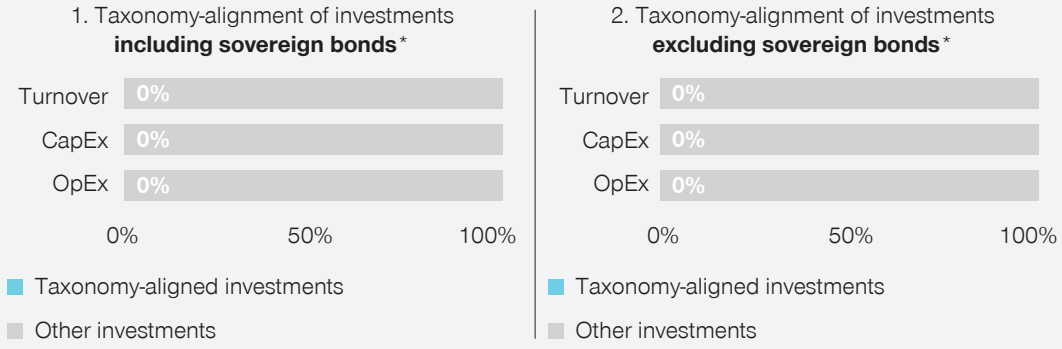
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional activities was 0.0% and in enabling activities was 0.0%.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU taxonomy was 13.0%.

Sustainable investments may not be EU Taxonomy aligned for a number of reasons, including:

- The Fund does not currently commit to investing any of its assets in investments aligned with the EU Taxonomy.
- In order to demonstrate EU Taxonomy alignment, the EU Taxonomy Regulation prescribes specific criteria that the investment manager must assess the assets for. These requirements rely heavily on data availability and reliability. Many issuers are currently not required to comply with the Taxonomy disclosure requirements, making it difficult to obtain the data needed to assess Taxonomy alignment.
- Not all economic activities are covered by the EU Taxonomy as it is not possible to develop criteria for all sectors where activities could make a substantial contribution to the environment. Where developed, not all criteria were in place to apply for the reporting period.

US Equity Fund continued

What was the share of socially sustainable investments?

The share of socially sustainable investments was 26.9%.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

These investments included cash positions held as ancillary liquidity and certain derivatives used for hedging and efficient portfolio management which are not screened by the T. Rowe Price Responsible Exclusion List and do not contribute to the Fund's promotion of environmental and/or social characteristics. The investment manager did not apply any minimum environmental or social safeguards to these investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Proprietary responsible screen:

The Fund avoided sectors or companies, whose activities may be considered harmful to the environment and/or society, as per the T. Rowe Price Responsible Exclusion List, the investment manager's proprietary responsible screen.

These restrictions are automated within the investment manager's internal investment compliance system. Adherence to them is monitored by its investment compliance team on a pre-trade, post-trade and portfolio basis.

The constituents of the T. Rowe Price Responsible Exclusion List are monitored by the investment manager's ESG specialists using third-party data. While changes can be made at any time, a full review is conducted quarterly.

The investment manager conducts compliance reviews on an on-going basis throughout the year to ensure the Fund is subject to the exclusions and reports quarterly to the Board of Directors of T. Rowe Price Funds SICAV.

There have been no breaches of the T. Rowe Price Responsible Exclusion List identified during the reference period.

Sustainable investment commitment:

As at 31 December 2022, 39.8% of the value of the Fund's portfolio was invested in securities that the investment manager identified as sustainable investments.

The sustainable investments have been identified using the following steps:

The investment manager identified each investee company's contribution to an E/S objective based on the company's revenue derived from that specific sustainable activity, or through its use of proceeds from bond sales. The sustainable investment exposure for each company was aggregated by the investment manager. This means that only the proportion of the investment contributing to a sustainable activity by an investee company was counted towards meeting the Fund's minimum 10% commitment.

The investment manager has adopted a robust process to consistently identify whether a company causes significant harm to an E/S objective and incorporates PAIs into that assessment, where appropriate on an issuer-by-issuer basis. Its "do no significant harm" assessment is comprised of both proprietary research and third-party data inputs, including data in relation to PAI where relevant to the issuer and/or sector. The investment manager assessed whether the company caused significant harm by setting and monitoring thresholds, where relevant and appropriate, relative to PAI indicators, and whether it has been involved in significant controversies related to the OECD guidelines for multinational enterprises and UNGPs on business and human rights. If the activity breached the set thresholds, regardless of the percentage of revenue alignment (or use of bond proceeds) to an E/S objective, the company failed the sustainable investment test.

The investment manager also assessed the governance practices of an investee company by undertaking:

- A quantitative review using the investment manager's good governance test which consists of weighted pillars designed to measure specific corporate governance risks, rolled up to an overall rating, and
- A qualitative review by the governance team if a company's good governance test rating is red, taking into account market and sector norms.

All investments held by the Fund that contributed to a specific E/S objective and passed "do no significant harm" as well as good governance assessments, as detailed above, contributed towards the Fund's overall exposure to sustainable investments.

US Equity Fund continued



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

A reference benchmark is not used for the purpose of promoting the Fund's E/S characteristics.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Threadneedle (Lux) American Smaller Companies

Legal entity identifier: 549300FL849SFZ3EMB26

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	[x] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The financial product promoted environmental and social characteristics by integrating the following responsible investment measures into the investment decision-making process:

- Comparing favourably with the index on material ESG criteria, measured by the Columbia Threadneedle ESG Materiality Rating model, over 12 month rolling periods.

- Maintaining at least 50% of the Portfolio holdings in companies rated 1-3 on the Columbia Threadneedle ESG Materiality Rating. Where necessary, by assessing companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment.

- Excluding companies in breach of accepted international standards and principles, such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

- Excluding companies with involvement in controversial weapons, in line with the Columbia Threadneedle Controversial Weapons Policy, and companies with direct involvement in nuclear weapons.

- To support the promotion of environmental and social characteristics, engaging with companies with a view to influence management teams to improve their practices, for example on issues relating to carbon emissions.

How did the sustainability indicators perform?

The financial product has the following sustainability indicators:

- The primary indicator is the positive weighted average ESG Materiality rating of the Portfolio versus the Russell 2500 Index, assessed over a rolling 12-month period. The positive ESG Materiality rating versus the index was monitored on a daily basis by our compliance systems. The portfolio maintained a better ESG Materiality rating than the benchmark throughout the period.

  On 31 March 2023 the portfolio rating was 2.41 and the benchmark rating was 2.97 (on a scale of 1-5, where lower is better).

- We invested at least 50% of the Portfolio in companies that have a strong ESG Materiality Rating. Where necessary, we may assess companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment. The financial product maintained over 50% of its holdings in companies rated 1-3 over the period.

- We excluded companies that we determined were in breach of accepted international standards, for example the UN Global Compact Principals. The exclusion policy was adhered to with the application of strict pre-trade restrictions and was monitored on an ongoing basis.

- We also adhered to our Controversial Weapons Policy and excluded companies with direct involvement in nuclear weapons.

As these indicators form the basis of the environmental and/or social characteristics promoted by the financial product, they are also the binding elements of Portfolio's ESG strategy.

…and compared to previous periods?

We will provide a comparison of the sustainability indictors to a previous period in the next report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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 Union 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.

How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable – the financial product does not make a commitment to consider the principal adverse impacts of investment decisions on sustainability factors.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period.

Largest investments	Sector	Average weight	Country
WILLSCOT MOBILE MINI	Industrials	3.83%	United States
AVISTA CORP	Utilities	3.76%	United States
CONMED CORP	Health Care	3.54%	United States
CARRIAGE SERVICES INC	Consumer	3.32%	United States
NEWPARK RESOURCES INC	Energy	3.12%	United States
VOYA FINANCIAL INC	Financials	2.97%	United States
KONTOOR BRANDS INC	Consumer	2.90%	United States
MOELIS CLASS A	Financials	2.53%	United States
HOULIHAN LOKEY INC	Financials	2.47%	United States
VIRTU FINANCIAL INC	Financials	2.41%	United States
NOV INC	Energy	2.35%	United States
FTI CONSULTING INC	Industrials	2.29%	United States
SCHNITZER STEEL	Materials	2.16%	United States
MATTHEWS	Industrials	2.15%	United States
ESSENT GROUP LTD	Financials	1.92%	United States

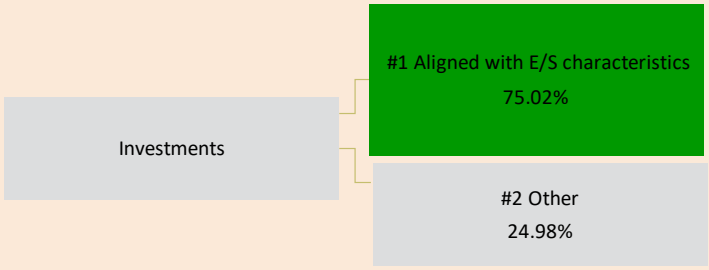
What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

75.02% of the financial product was invested in companies with an ESG Materiality rating of 1-3 and so were aligned with E/S characteristics.

24.98% of the financial product was invested in: (1) companies with an ESG Materiality rating of 4 or 5 and so were not aligned with E/S characteristics, (2) companies not covered by the ESG Materiality model, and (3) cash and derivatives.



#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.

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

In which economic sectors were the investments made?

Sector	Average weight
Industrials	18.55%
Financials	15.65%
Consumer Discretionary	13.46%
Health Care	11.91%
Information Technology	11.28%
Materials	6.48%
Consumer Staples	6.27%
Energy	5.66%
Utilities	3.76%
Real Estate	3.02%
Cash	2.54%
Communication Services	1.43%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The fund does not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

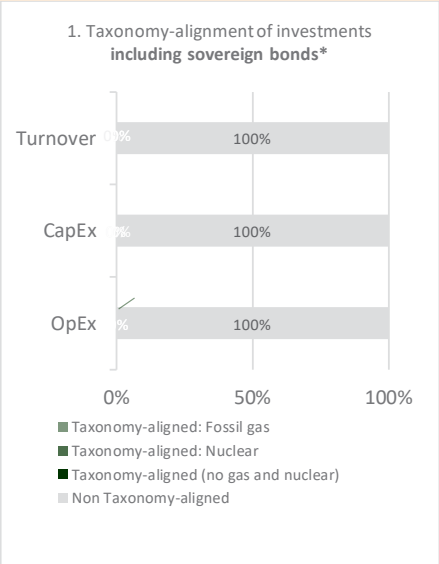
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

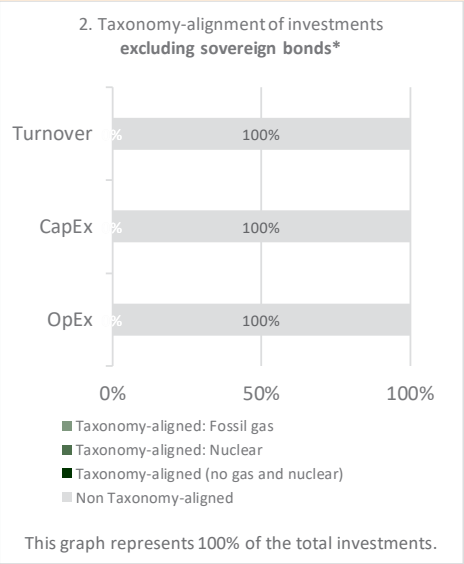
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of investments made in transitional and enabling activities?

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. The fund is yet to report any alignment to the EU Taxonomy Regulation.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable - the fund does not have a commitment to invest in sustainable investments with an environmental objective not aligned with the EU Taxonomy Regulation.



What was the share of socially sustainable investments?

Not applicable - the fund does not have a commitment to invest in sustainable investments with a social objective



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as "other" include (i) ancillary liquid assets (i.e. bank deposit at sight) which are held for the purposes of liquidity management; (ii) bank deposits, money market instruments or money market funds held for treasury purposes; (iii) derivatives for hedging purposes; (iv) companies with an ESG Materiality rating of 4 or 5; or (v) companies not covered by the ESG Materiality model.

These investments are not used to meet the environmental and social characteristics of the Portfolio. The purpose of these securities is to provide a diversified portfolio that can achieve the financial objective.

Minimum environmental or social safeguards are ensured by applying the exclusion screening to all holdings in investee companies. For cash positions and derivatives, ESG considerations are integrated into the counterparty risk assessment.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

We engaged with companies, aiming to influence their approach to ESG risks and ESG practices.

For example, over the period we engaged with Livent about the key E&S themes affecting them and their ability to retain a licence to operate. The company is aware that licence to operate is critical and claim to be prioritizing human rights, building community relationships and ensuring they meet customers' demands for well audited, lower impact supply chains. The company's highest profile site is in Argentina, where they have historically had issues with anti-mining protests. They have worked with a UN affiliated NGO to run townhall events for locals, and are aware of the need to maintain Free, Prior and Informed Consent on an ongoing basis. The desire to proceed with operations in a way that also benefits communities is one of the main drivers behind seeking IRMA accreditation. Another driver for this is that major OEMs (Livent customers) are on the IRMA board and are pushing suppliers in this direction due to their emphasis on supply chain traceability and carbon reductions. Water is a material topic in lithium extraction, so the company has liaised with local government authorities and US universities to develop a hydro geological study of the area, identifying that they are not as exposed to water stress as peers due to local geographical quirks. They are heavily monitored in the area, and communicate with local communities as well as the authorities on water consumption. Livent have a target to be net zero by 2040, but only a 30% GHG intensity reduction target by 2030, implying significant reductions post 2030. In the near term they are working on process optimisation and are confident of meeting the 2030 target. However longer term they may face challenges sourcing renewables. The company’s disclosure remains light and nature impact reduction plans are unclear. Overall Livent have a robust approach to E&S issues for a company their size, however more tangible plans and disclosure on how they are reducing emissions, water consumption and nature impacts will be required, as well as strengthened, clearer approaches to human rights and community relations.

We also engaged with Medpace by writing to the company to explain the importance of diversity in clinical trials to us as investors. We raised our interest in learning more about the company's strategy while simultaneously encouraging greater transparency from the industry on topics such as trust-building with (historically) underrepresented trial participants, incentivization of trial participation (e.g., rewards, infrastructural challenges, decentralized trials), hiring practices, internal awareness and capacity-building, collaboration with relevant stakeholder groups such as patient groups and industry initiatives and tracking of effectiveness of diversity in clinical trials strategy including data collection and use of findings to adapt approaches. We ended the email by asking for an engagement call.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the broad market index?`***

Over the period, the financial product maintained a superior ESG profile to the Russell 2500 Index, as measured by the Columbia Threadneedle Investments ESG Materiality Rating model.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Threadneedle (Lux) Pan European ESG Equities

Legal entity identifier: 5493003HOJGB5U7D3492

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	[x] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promoted environmental and social characteristics by integrating the following responsible investment measures into the investment decision-making process:

- Comparing favorably with the index on material ESG criteria, measured by the Columbia Threadneedle ESG Materiality Rating model, over 12 month rolling periods.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- We invested at least 80% of the portfolio in companies with strong or improving ESG characteristics, measured by a combination of the ESG Materiality rating and fundamental research of portfolio companies. The Portfolio will tend to favour companies which score strongly on the Columbia Threadneedle ESG Materiality Rating, therefore giving the Portfolio a positive tilt in favour of ESG characteristics when compared with those of the MSCI Europe Index on a rolling 12-month basis. All strongly rated companies are considered as aligned with the E/S characteristics promoted by the Portfolio. However, the Portfolio may invest in companies with a poorer rating and these companies are also considered as aligned with the E/S characteristics promoted by the Portfolio on the basis that these securities, notwithstanding such rating, are (i) determined through our fundamental research to already demonstrate strong ESG practices or (ii) have scope for improvement in their ESG practices. We seek to encourage such improvements through the implementation of its engagement policy.

- Excluding companies in breach of accepted international standards and principles, such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

- Excluding companies with involvement in controversial weapons, in line with the Columbia Threadneedle Controversial Weapons Policy, and companies with direct involvement in nuclear weapons.

- To support the promotion of environmental and social characteristics, engaging with companies with a view to influence management teams to improve their practices, for example on issues relating to carbon emissions.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainability indicators perform?

The financial product has the following sustainability indicators:

- The primary indicator is the positive weighted average ESG Materiality rating of the Portfolio versus the MSCI Europe (Gross TR) Index, assessed over rolling 12-month periods. The positive ESG Materiality rating versus the index was monitored on a daily basis by our compliance systems. The portfolio maintained a better ESG Materiality rating than the benchmark throughout the period.

  On 31 March 2023 the portfolio rating was 2.70 and the benchmark rating was 2.79 (on a scale of 1-5, where lower is better).

- We invested at least 80% of the portfolio in companies with strong or improving ESG characteristics, measured by a combination of the ESG Materiality rating and fundamental research of companies.

- We excluded companies that we determined were in breach of accepted international standards, for example the UN Global Compact Principals. The exclusion policy was adhered to with the application of strict pre-trade restrictions and was monitored on an ongoing basis.

- We also adhered to our Controversial Weapons Policy and excluded companies with direct involvement in nuclear weapons.

As these indicators form the basis of the environmental and/or social characteristics promoted by the financial product, they are also the binding elements of Portfolio's ESG strategy.

…and compared to previous periods?

We will provide a comparison of the sustainability indictors to a previous period in the next report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable – the financial product does not make a commitment to consider the principal adverse impacts of investment decisions on sustainability factors.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period.

Largest investments	Sector	Average weight	Country
NOVO NORDISK CLASS B	Health Care	4.01%	Denmark
ASML HOLDING NV	Information Technology	3.84%	Netherlands
LVMH	Consumer Discretionary	3.82%	France
NESTLE SA	Consumer Staples	3.73%	Switzerland
ROCHE HOLDING PAR AG	Health Care	3.70%	United States
ASTRAZENECA PLC	Health Care	3.38%	United Kingdom
TOTALENERGIES	Energy	3.15%	France
LOREAL SA	Consumer Staples	2.90%	France
ASHTEAD GROUP PLC	Industrials	2.29%	United Kingdom
UBS GROUP AG	Financials	2.28%	Switzerland
CRH PLC	Materials	2.18%	Ireland
SIKA AG	Materials	2.12%	Switzerland
3I GROUP PLC	Financials	2.10%	United Kingdom
VODAFONE GROUP PLC	Communication Services	2.07%	United Kingdom
RIO TINTO PLC	Materials	2.00%	United Kingdom

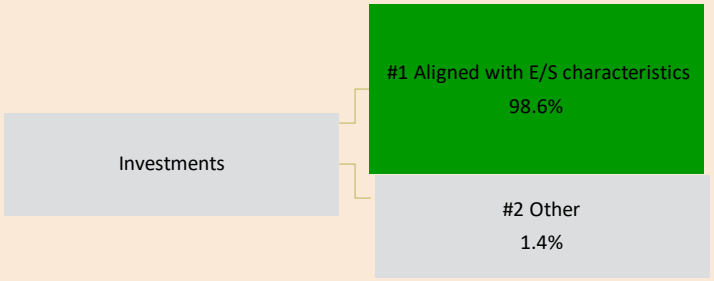
What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

98.6% of the portfolio was invested in companies with strong or improving ESG characteristics, measured by a combination of the ESG Materiality rating and fundamental research of portfolio companies.

1.4% includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.



#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.

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?

Sector	Average weight
Communication Services	3.7%
Consumer Discretionary	13.5%
Consumer Staples	9.2%
Energy	3.4%
Financials	18.3%
Health Care	14.3%
Industrials	18.0%
Information Technology	7.3%
Materials	9.7%
Utilities	1.3%
Cash	1.4%



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

The fund does not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

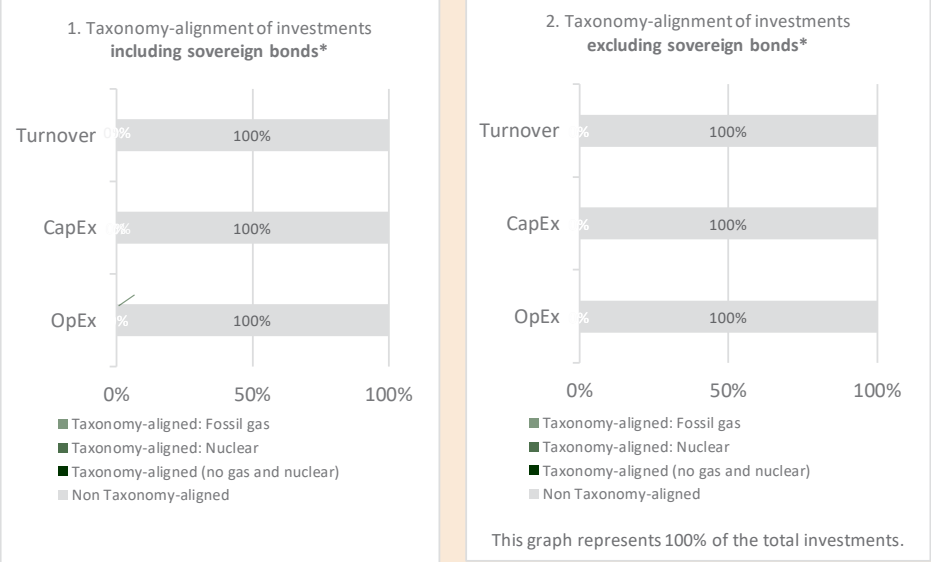
- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

  - [ ] Yes:
    - [ ] In fossil gas
    - [ ] In nuclear energy
  - [x] No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.



* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. The fund is yet to report any alignment to the EU Taxonomy Regulation.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable - the fund does not have a commitment to invest in sustainable investments with an environmental objective not aligned with the EU Taxonomy Regulation.

What was the share of socially sustainable investments?

Not applicable - the fund does not have a commitment to invest in sustainable investments with a social objective



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as "other" include (i) ancillary liquid assets (i.e. bank deposit at sight) which are held for the purposes of liquidity management; (ii) bank deposits, money market instruments or money market funds held for treasury purposes; or (iii) derivatives for hedging purposes.

Minimum environmental or social safeguards for cash positions and derivatives are integrated into the ESG counterparty risk assessment.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

We engaged with companies, aiming to influence their approach to ESG risks and ESG practices.

For example, over the period we engaged with ASM International to discuss governance and the incorporation of ESG metrics into executive remuneration. This will provide accountability for leadership. Following our engagement, the company agreed to implement this. Additionally, following engagements in 2022, the company has improved workplace diversity and set future gender hiring targets. Lastly, the company has set emissions target in line with the global 1.5C pathway.

We also discussed nutrition strategy with Nestle. The company shared their ambition to be a leader in the sale of healthy food products. We expressed concern that, unlike their peers, Nestle do not have any specific targets. We stated that any targets would send a strong message to the wider industry. We will continue to engage on this theme.



How did this financial product perform compared to the reference benchmark?

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

How does the reference benchmark differ from a broad market index?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the broad market index?`***

Over the period, the financial product maintained a superior ESG profile to the MSCI Europe (Gross TR) Index, as measured by the Columbia Threadneedle Investments ESG Materiality Rating model.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Threadneedle (Lux) Pan European Smaller Companies

Legal entity identifier: 549300FG0S32L53EKJ87

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents sustainable investments]*

Yes	No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	[x] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The financial product promoted environmental and social characteristics by integrating the following responsible investment measures into the investment decision-making process:

- Comparing favourably with the index on material ESG criteria, measured by the Columbia Threadneedle ESG Materiality Rating model, over 12 month rolling periods.

- Maintaining at least 50% of the Portfolio holdings in companies rated 1-3 on the Columbia Threadneedle ESG Materiality Rating. Where necessary, by assessing companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment.

- Excluding companies in breach of accepted international standards and principles, such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

- Excluding companies with involvement in controversial weapons, in line with the Columbia Threadneedle Controversial Weapons Policy, and companies with direct involvement in nuclear weapons.

- To support the promotion of environmental and social characteristics, engaging with companies with a view to influence management teams to improve their practices, for example on issues relating to carbon emissions.

How did the sustainability indicators perform?

The financial product has the following sustainability indicators:

- The primary indicator is the positive weighted average ESG Materiality rating of the Portfolio versus the EMIX Smaller Europe (inc UK) Index, assessed over rolling 12-month periods. The positive ESG Materiality rating versus the index was monitored on a daily basis by our compliance systems. The portfolio maintained a better ESG Materiality rating than the benchmark throughout the period.

  On 31 March 2023 the portfolio rating was 2.76 and the benchmark rating was 2.97 (on a scale of 1-5, where lower is better).

- We invest at least 50% of the Portfolio in companies that have a strong ESG Materiality Rating. Where necessary, we may assess companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment. The financial product maintained over 50% of its holdings in companies rated 1-3 over the period.

- We excluded companies that we determined were in breach of accepted international standards, for example the UN Global Compact Principals. The exclusion policy was adhered to with the application of strict pre-trade restrictions and was monitored on an ongoing basis.

- We also adhered to our Controversial Weapons Policy and excluded companies with direct involvement in nuclear weapons.

As these indicators form the basis of the environmental and/or social characteristics promoted by the financial product, they are also the binding elements of Portfolio's ESG strategy.

…and compared to previous periods?

We will provide a comparison of the sustainability indictors to a previous period in the next report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable – the financial product does not make a commitment to consider the principal adverse impacts of investment decisions on sustainability factors.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period.

Largest investments	Sector	Average weight	Country
SIG GROUP N AG	Materials	2.60%	Switzerland
CVS GROUP PLC	Health Care	2.50%	United Kingdom
CTS EVENTIM AG	Communication Services	2.41%	Germany
WATCHES OF SWITZERLAND GROUP PLC	Consumer Discretionary	2.20%	United Kingdom
EUROFINS SCIENTIFIC	Health Care	2.09%	Luxembourg
FINECOBANK BANCA FINECO	Financials	2.08%	Italy
GENUS PLC	Health Care	2.06%	United Kingdom
AVANZA BANK HOLDING	Financials	2.05%	Sweden
ST.JAMES PLACE PLC	Financials	2.04%	United Kingdom
HOWDEN JOINERY GROUP PLC	Industrials	2.01%	United Kingdom
BIG YELLOW GROUP PLC	Real Estate	2.00%	United Kingdom
COMPUGROUP MEDICAL N	Health Care	1.97%	Germany
BELIMO N AG	Industrials	1.96%	Switzerland
FLUIDRA SA	Industrials	1.94%	Spain
ASM INTERNATIONAL NV	Information Technology	1.88%	Netherlands



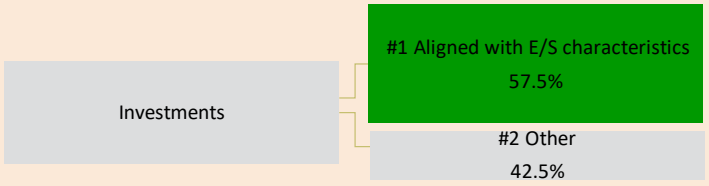
What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

57.5% of the financial product was invested in companies with an ESG Materiality rating of 1-3 and so were aligned with E/S characteristics.

42.5% of the financial product was invested in: (1) companies with an ESG Materiality rating of 4 or 5 and so were not aligned with E/S characteristics, and (2) companies not covered by the ESG Materiality model, and (3) cash and derivatives.



#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.

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?

Sector	Average weight
Industrials	20.71%
Health Care	18.02%
Information Technology	14.10%
Financials	12.31%
Consumer Discretionary	10.49%
Materials	9.52%
Communication Services	8.19%
Consumer Staples	3.38%
Real Estate	2.65%
Energy	0.08%
Cash	0.56%

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

The fund does not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

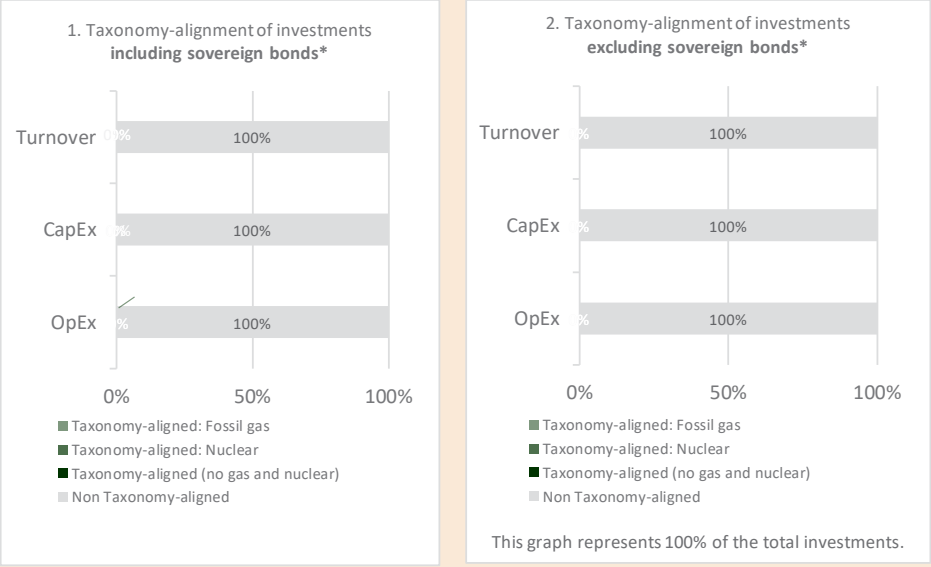
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.



* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. The fund is yet to report any alignment to the EU Taxonomy Regulation.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable - the fund does not have a commitment to invest in sustainable investments with an environmental objective not aligned with the EU Taxonomy Regulation.



What was the share of socially sustainable investments?

Not applicable - the fund does not have a commitment to invest in sustainable investments with a social objective



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as "other" include (i) ancillary liquid assets (i.e. bank deposit at sight) which are held for the purposes of liquidity management; (ii) bank deposits, money market instruments or money market funds held for treasury purposes; (iii) derivatives for hedging purposes; (iv) companies with an ESG Materiality rating of 4 or 5; or (v) companies not covered by the ESG Materiality model.

These investments are not used to meet the environmental and social characteristics of the Portfolio. The purpose of these securities is to provide a diversified portfolio that can achieve the financial objective.

Minimum environmental or social safeguards are ensured by applying the exclusion screening to all holdings in investee companies. For cash positions and derivatives, ESG considerations are integrated into the counterparty risk assessment.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

We engaged with companies, aiming to influence their approach to ESG risks and ESG practices.


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

For example, over the period we engaged with ASM International to discuss governance and the incorporation of ESG metrics into executive remuneration. This will provide accountability for leadership. Following our engagement, the company agreed to implement this. Additionally, following engagements in 2022, the company has improved workplace diversity and set future gender hiring targets. Lastly, the company has set emissions target in line with the global 1.5C pathway.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the broad market index?`***

Over the period, the financial product maintained a superior ESG profile to the EMIX Smaller Europe (inc UK) Index, as measured by the Columbia Threadneedle Investments ESG Materiality Rating model.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Threadneedle (Lux) Global Smaller Companies

Legal entity identifier: 549300U3LV1YG52NP397

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	[x] It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The financial product promoted environmental and social characteristics by integrating the following responsible investment measures into the investment decision-making process:

- Comparing favourably with the index on material ESG criteria, measured by the Columbia Threadneedle ESG Materiality Rating model, over 12 month rolling periods.

- Maintaining at least 50% of the Portfolio holdings in companies rated 1-3 on the Columbia Threadneedle ESG Materiality Rating. Where necessary, by assessing companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment.

- Excluding companies in breach of accepted international standards and principles, such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

- Excluding companies with involvement in controversial weapons, in line with the Columbia Threadneedle Controversial Weapons Policy, and companies with direct involvement in nuclear weapons.

- To support the promotion of environmental and social characteristics, engaging with companies with a view to influence managenment teams to improve their practices, for example on issues relating to carbon emissions.

How did the sustainability indicators perform?

The financial product has the following sustainability indicators:

- The primary indicator is the positive weighted average ESG Materiality rating of the Portfolio versus the MSCI World Small Cap Index, assessed over rolling 12-month periods. The positive ESG Materiality rating versus the index was monitored on a daily basis by our compliance systems. The portfolio maintained a better ESG Materiality rating than the benchmark throughout the period.

  On 31 March 2023 the portfolio rating was 2.70 and the benchmark rating was 2.99 (on a scale of 1-5, where lower is better).

- We invest at least 50% of the Portfolio in companies that have a strong ESG Materiality Rating. Where necessary, we may assess companies that are not covered by the ESG Materiality Rating Model using fundamental research, or by engaging with companies that have a low ESG Materiality rating for improvement, in order to achieve this 50% minimum commitment. The financial product maintained over 50% of its holdings in companies rated 1-3 over the period.

- We excluded companies that we determined were in breach of accepted international standards, for example the UN Global Compact Principals. The exclusion policy was adhered to with the application of strict pre-trade restrictions and was monitored on an ongoing basis.

- We also adhered to our Controversial Weapons Policy and excluded companies with direct involvement in nuclear weapons.

As these indicators form the basis of the environmental and/or social characteristics promoted by the financial product, they are also the binding elements of Portfolio's ESG strategy.

…and compared to previous periods?

We will provide a comparison of the sustainability indictors to a previous period in the next report.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

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

Not applicable – the financial product does not make a commitment to invest in sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable – the financial product does not make a commitment to consider the principal adverse impacts of investment decisions on sustainability factors.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period.

Largest investments	Sector	Average weight	Country
KADANT INC	2.05%	Industrials	United States
WILLSCOT MOBILE MINI	2.02%	Industrials	United States
ALTAIR ENGINEERING INC	1.98%	Information	United States
CONMED CORP	1.79%	Health Care	United States
MSA SAFETY INC	1.74%	Industrials	United States
ARMSTRONG WORLD	1.73%	Industrials	United States
WORKIVA INC CLASS A	1.65%	Information	United States
AAON INC	1.55%	Industrials	United States
SIMPSON MANUFACTURING	1.54%	Industrials	United States
CARGOJET INC	1.53%	Industrials	Canada
SIG GROUP N AG	1.50%	Materials	Switzerland
GAMES WORKSHOP GROUP	1.49%	Consumer	United Kingdom
LESLIES INC	1.48%	Consumer	United States
SQUARE ENIX HLDG LTD	1.47%	Communication	Japan
ADVANCED DRAINAGE	1.44%	Industrials	United States



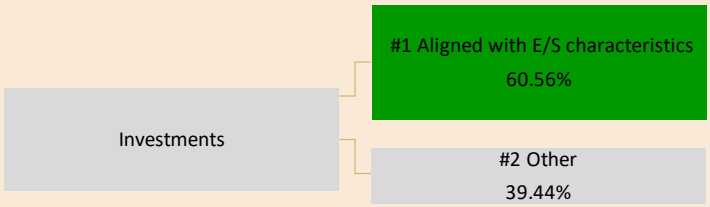
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

60.56% of the financial product was invested in companies with an ESG Materiality rating of 1-3 and so were aligned with E/S characteristics.

39.44% of the financial product was invested in: (1) companies with an ESG Materiality rating of 4 or 5 and so were not aligned with E/S characteristics, and (2) companies not covered by the ESG Materiality model, and (3) cash and derivatives.



#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.

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

In which economic sectors were the investments made?

Sector	Average weight
Industrials	30.21%
Information Technology	18.71%
Health Care	15.27%
Consumer Discretionary	13.50%
Financials	6.74%
Communication Services	6.58%
Consumer Staples	3.42%
Materials	2.82%
Real Estate	0.65%
Cash	2.09%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

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

The fund does not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

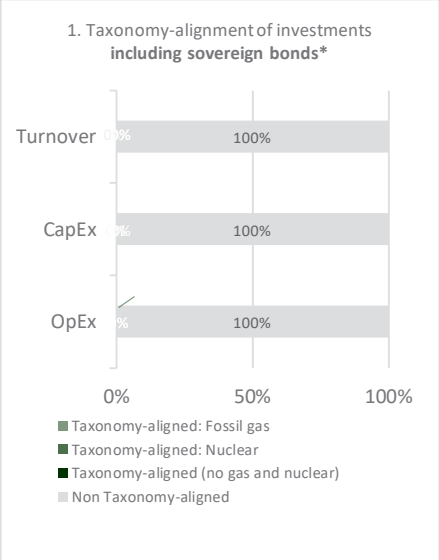
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

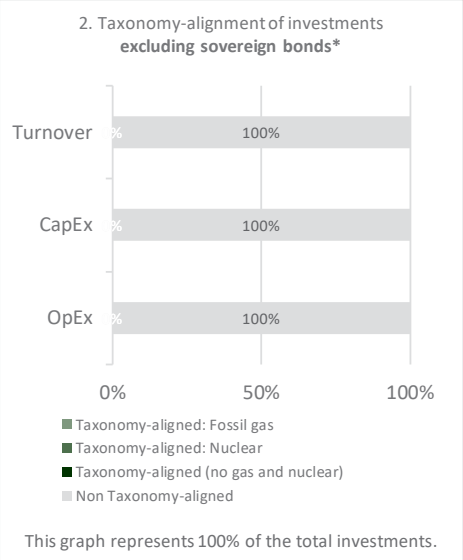
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Based on reliable data that has been made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation. The fund is yet to report any alignment to the EU Taxonomy Regulation.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable - the fund does not have a commitment to invest in sustainable investments with an environmental objective not aligned with the EU Taxonomy Regulation.



What was the share of socially sustainable investments?

Not applicable - the fund does not have a commitment to invest in sustainable investments with a social objective



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as "other" include (i) ancillary liquid assets (i.e. bank deposit at sight) which are held for the purposes of liquidity management; (ii) bank deposits, money market instruments or money market funds held for treasury purposes; (iii) derivatives for hedging purposes; (iv) companies with an ESG Materiality rating of 4 or 5; or (v) companies not covered by the ESG Materiality model.

These investments are not used to meet the environmental and social characteristics of the Portfolio. The purpose of these securities is to provide a diversified portfolio that can achieve the financial objective.

Minimum environmental or social safeguards are ensured by applying the exclusion screening to all holdings in investee companies. For cash positions and derivatives, ESG considerations are integrated into the counterparty risk assessment.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

We engaged with companies, aiming to influence their approach to ESG risks and ESG practices. For example, over the period we engaged with holdings in the portfolio on a range of topics. This includes but is not limited to engagement with a US bank to better understand the company's governance structure, specifically concerning board structure and remuneration.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable - the financial product does not have a designated reference benchmark that is used to measure whether it attains the environmental and/or social characteristics that the Portfolio promotes.

- ***How did this financial product perform compared with the broad market index?`***

Over the period, the financial product maintained a superior ESG profile to the MSCI World Small Cap Index, as measured by the Columbia Threadneedle Investments ESG Materiality Rating model.

SFDR SCHEDULE- Annex IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: UBAM - 30 GLOBAL LEADERS EQUITY
Legal entity identifier: O00000869_00000057

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** %	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 7.7% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Over the course of the reporting period, the Sub-Fund's environmental objective of having a Weighted Average Carbon Intensity lower than that of its benchmark MSCI AC World Net Return USD was met at all times, the latest performance is shown in the following section. By targeting a lower carbon footprint than its benchmark, the environmental characteristics promoted by this product have positively contributed to climate change mitigation.

Through the strict exclusion of companies in breach of the United Nations Global Compact norms, the social objective of the product of having better corporate sustainability than its benchmark has also been met.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- ***How did the sustainability indicators perform?***

Sustainabiliy indicator	Sub-Fund	Index*
Weighted Average Carbon Intensity (tCO2e/$ mi. invested)	71.5	161.0
Share of companies in breach of the UN Global Compact	0.0%	0.8%

Past performance is not a guide for current or future returns.
Source: UBP, MSCI ESG Research, as of 30 December 2022
*Index: MSCI AC World Net Return USD

The benchmark is a standard reference representing the Sub-Fund's universe but is not aligned with the sustainable objective of the Sub-Fund.

To measure the achievement of the environmental and social characteristics promoted by the Sub-Fund, the sub-fund's performance relative to its benchmark based on the following indicators were considered:

- The Weighted Average Carbon Intensity of the companies in which the portfolio is invested; The WACI of the portfolio (71.5 CO2e) was 55% lower than the benchmark (161.0 CO2e).
- The share of companies in breach of UN Global Compact; The portfolio did not have any exposure to companies that do not comply with the UN Global Compact principles during the reference period, whereas the benchmark had a share of 0.8%.

- ***And compared to previous periods?***

N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

During the reporting period, the Sub-Fund had 7.7% of sustainable investments, which contributed to the following objectives that the Sub-Fund partially made:

- environmental (2.8%) such as climate change mitigation through resource efficiency: for example through investments in companies with revenues from products or services that help reduce the consumption of energy, raw materials, and other resources.

- social (5.0%) such as major disease treatment: for example through investments in companies with revenues from products for the treatment or diagnosis of major diseases of the world;

This Sub-Fund generally avoided biodervisity laggards to the extent possible and engaged with companies with any potential impact on biodiversity. The Investment Team namely engaged with a company in the Consumer Staples sector on issues related to palm oil production and deforestation allegations as well as plastic pollution. The company provided a constructive feedback on the current status and their action plan.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

To ensure that the sustainable investments made by this Sub-Fund during the reporting period did not significantly harm any other sustainable investment objectives, the Investment Manager applied its in-house methodology that covers Principal Adverse Impacts, controversies, misalignment with SDGs and ESG/governance quality checks.
Based on our in-house methodology, we consider that these sustainable investments did not cause significant harm to any environmental or social sustainable objective. For this, we tested their compliance with mandatory PAIs either directly, where data was available, or indirectly through the consideration of Controversies (social, environmental, governance, labour compliance), SDG alignment (environmental activities strongly misaligned with environmental SDGs and social activities strongly misaligned with social SDGs are not deemed sustainable), overall ESG and governance quality as well as the exclusion of some harmful sectors).

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Investment Manager sought to limit the adverse impacts on sustainability factors primarily through the investment research, the application of an exclusion list and the norms-based screening. In particular, we tested compliance with mandatory PAIs both directly or indirectly for sustainable investments, as explained above.
In addition, some PAIs were also taken into account via the Sub-Fund's objective of maintaining a weighted average carbon intensity lower than that of the investment universe.

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

This Sub-Fund did not invest in companies flagged as being in breach of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights according to the analyses of external providers.

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 Union criteria.

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

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

How did this financial product consider principal adverse impacts on sustainability factors?

Indicator	Metrics	Value	Covered assets	Eligible Assets	Planned actions
PAI 3	GHG intensity of investee companies (tCO2eq/EURm revenue)	65.8	96.5%	96.5%	The Sub-Fund aims to maintain a weighted average carbon intensity lower than the benchmark at all times by paying attention to issuer's GHG emissions and climate strategy; thus priority is given to selecting companies with low carbon footprint. Furthermore, the Sub-Fund should have limited exposure to conventional oil & gas revenues (5%), have no exposure to revenues from unconventional oil and gas extraction, limited exposure to other revenues associated to unconventional oil and gas (5%) and have no exposure to thermal coal extraction as well as no revenues or installed capacities in power generation derived from coal, nuclear sources or oil & gas.
PAI 10	Share of investments that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.0%	96.5%	96.5%	The Sub-Fund excludes companies in breach of international standards and social practices as flagged by both MSCI ESG Research and Sustainalytics. Related information is also integrated in the proprietary forecast of companies' cash flows
PAI 14	Share of investments involved in the manufacture or selling of controversial weapons (%)	0.0%	96.5%	96.5%	The Sub-Fund excludes issuers that are involved in controversial weapons

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022.



What were the top investments of this financial product?

Largest investments	Sector	Country	% Assets
MICROSOFT CORP	Information Technology	USA	4.71
NOVO NORDISK -B-	Health Care	Denmark	4.47
VISA-A	Information Technology	USA	4.45
NASDAQ OMX GRP	Financials	USA	4.21
JOHNSON & JOHNSON	Health Care	USA	4.08
NESTLE N	Consumer Staples	Switzerland	4.06
LINDE RG	Materials	Ireland	4.00
SCHNEIDER ELECTRIC	Industrials	France	3.90
JOHNSON CONTROLS INT	Industrials	Ireland	3.90
THERMO FISHER SCIEN	Health Care	USA	3.73
LVMH	Consumer Discretionary	France	3.69
S&P GLOBAL	Financials	USA	3.52
AON-A RG	Financials	Ireland	3.48
MCDONALD'S CORP	Consumer Discretionary	USA	3.45
ROCHE HLDG AG	Health Care	Switzerland	3.38

Source: UBP, as of 30 December 2022

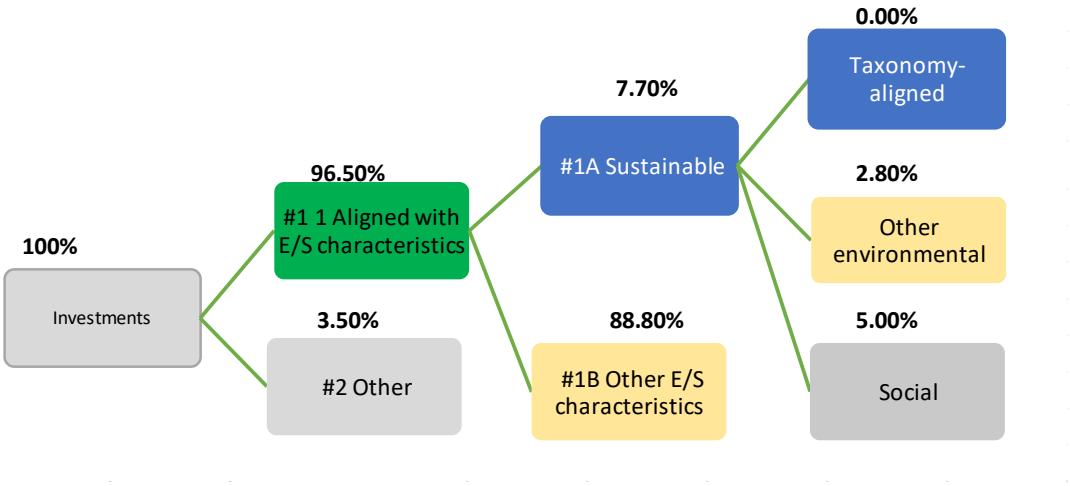
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

What was the proportion of sustainability-related investments?

7.7%

Asset allocation describes the share of investments in specific assets.

- ***What was the asset allocation?***



Source : UBP, as of 30 December 2022
Figures may not add up to totals because of rounding

#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

To comply with the EU taxonomy, the criteria for **fossil gas**

Include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***In which economic sectors were the investments made?***

Sector	% of net assets
Pharmaceuticals and cosmetics	15.54
Machine and apparatus construction	12.03
Holding and finance companies	11.95
Internet and Internet services	9.45
Foods and non alcoholic drinks	7.21
Miscellaneous services	10.64
Textiles and garments	2.39
Electronics and semiconductors	6.03
Chemicals	4.19
Electrical engineering and electronics	3.89
Miscellaneous consumer goods	3.88
Graphic art and publishing	3.51
Hotels and restaurants	3.43
Real Estate companies	1.99
Total	**96.13**

Source: Fund administration data, as of 30 December 2022

The use of different data sources and systems may result in limited variations accross the various sections of the present report.

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

In the absence of reported information on taxonomy-alignment by companies, the Investment Manager considers that this Sub-Fund had no reported taxonomy-aligned investments as at 30 December 2022.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?***

☐ YES

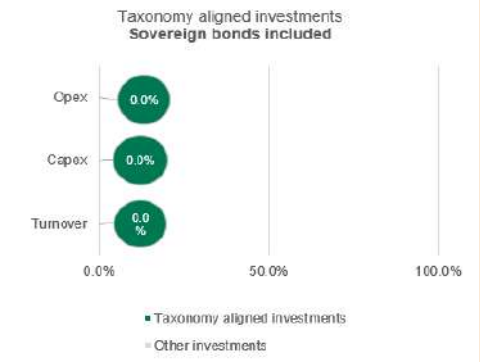
☐ In fossil gas ☐ in nuclear energy

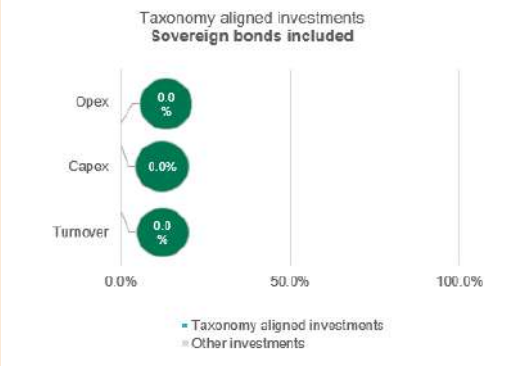
☒ NO

"1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214."

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

Source: Reported Taxonomy-alignment, based on company reports, as of 30 December 2022
The graph 'taxonomy aligned investments-excluded sovereign obligations' represents 100% of the total net assets.

- ***What was the share of investments in transitional and enabling activities?***

N/A

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

N/A

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

2.8%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

In the absence of taxonomy reported data, this includes 0.3% of investments that are estimated to be aligned with the current EU Taxonomy by Sustainalytics, as well as 2.5% with an environmental objective not covered by this Taxonomy.

What was the share of socially sustainable investments?

5.0%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

3.5% representing the cash position of the Sub-Fund for flows management purposes, which is considered as investments not aligned with the environmental and social characteristics promoted. There is no minimum E/S safeguards on this bucket.
Source: UBP, as of 30 December 2022

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The investment framework is not intended to focus on a company's ESG credentials at the expense of its financial performance potential. Indeed, the approach is intended to be holistic as ESG and sustainability factors are fully integrated across the investment process.

During the reporting period the Sub-Fund has applied exclusion rules, which, among other aspects, reduce the exposure to carbon-intensive sectors. These rules include the exclusion of companies with certain exposure to conventional oil & gas revenues (5%), any exposure to revenues from unconventional oil and gas extraction,exposure to other revenues associated to unconventional oil and gas (5%) and any exposure to thermal coal extraction as well as no revenues or installed capacities in power generation derived from coal, nuclear sources or oil & gas.In addition, any company in breach of the UN Global Compact principles, if flagged by both MSCI ESG Research and Sustainalytics, is excluded as well.

As part of its engagement activities, the investment team engaged with an Industrials company held in the portfolio during 2022, with the objective of clarifying the data mismatch between the company's reported proportion of EU Taxonomy eligible revenues and the data provider's assessment. The investment team engaged first with the company directly to better understand its roadmap to comply with the regulations via email, as well as with the data provider itself. We expect

the discrepancy to be resolved in 2023 when the company will have to officially report with more transparency.

Furthermore, during 2022 the investment team sold its position in a Health Care company as the company's Covid-related revenues were projected to drop, and as the temporary closure of its baby milk factories in the US due to safety issues was projected to impact its CFROI® (Cash Flow Return on Investment, Source: Credit Suisse HOLT) and ESG profile over the medium to long term, and potentially cause severe controversies.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social

No reference benchmark.

- ***How did the reference benchmark differ from a broad market index?***

  N/A

  How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A

SFDR SCHEDULE- Annex IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: UBAM - EMERGING MARKET CORPORATE BOND SHORT DURATION
Legal entity identifier: O00000869_00000084

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** %	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This Sub-Fund promoted to have better environmental and social characteristics than the Emerging Market (EM) corporate bond universe, as measured by the JP Morgan Corporate EMBI Diversified index. This index is a standard reference representing the EM Corporate Bond Universe but is not aligned with the environmental and/or social characteristics promoted by this Sub-Fund.These characteristics include better ESG practices, a lower carbon intensity and a greater respect of international norms such as the UN Global compact compared to the Index.

To measure the attainement of each of the environmental and social characteristics promoted by this Sub-Fund, we considered the Sub-Fund's performance against its reference index on the following indicators:

- achieve a higher overall ESG quality score than the Index
- have a lower Weighted Average Carbon Intensity (WACI) than the index
- exclude any companies in breach of UN Global Compact and other international norms, as measured by MSCI red overall controversy flag

Certain exclusion criteria apply to ensure that the objectives are met. The fund seeks to limit its exposure to high emitting companies, for example, by excluding companies where 20% or more of revenues are derived from thermal coal mining or are linked to coal-based power generation. In addition, the fund excludes companies where revenues are 10% or more related to the unconventional oil and gas sector. Companies that do not comply with the UN Global Compact Principles as flagged by MSCI or companies exposed to controversial weapons are also excluded.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- ***How did the sustainability indicators perform?***

Sustainabiliy indicator	Sub-fund	Index*
Weighted Average Carbon Intensity (tCO2e/$ mi. invested)	533.8	615.4
MSCI ESG Quality Score	6.3	5.5
Share of companies in breach of the UN Global Compact	0.0%	4.2%

Past performance is not a guide for current or future returns.
Source: UBP, MSCI ESG Research, as of 30 December 2022
*Index: JPM CEMBI Diversified
The benchmark is a standard reference representing the Sub-Fund's universe but is not aligned with the sustainable objective of the Sub-Fund.

Over the course of the reporting period, the Sub-Fund achieved its environmental and social objectives:

- the MSCI overall ESG quality score: The MSCI ESG Quality Score of the portfolio (6.3) was above the score of the Index (5.5)
- the Weighted Average Carbon Intensity (WACI): The WACI of the portfolio (533.8 tCO2e) was lower than the Index (615.4 tCO2e)
- the share of companies in breach of UN Global Compact and other international norms, as measured by MSCI red overall controversy flag: The portfolio did not have any exposure to companies that do not comply with UN Global Compact principles as measured by MSCI red overall controversy flag, where as the benchmark had a share of 4.2%

- ***And compared to previous periods?***

N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

N/A

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

  N/A

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

  N/A

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 Union criteria.

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

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

How did this financial product consider principal adverse impacts on sustainability factors?

Indicator	Metrics	Value	Covered assets	Eligible Assets	Planned actions
PAI 3	GHG intensity of investee companies (tCO2eq/EURm revenue)	478.1	52.4%	64.1%	The Sub-Fund aims to maintain a WACI lower than the index by paying attention to issuer's GHG emissions, their climate strategy and net zero commitments. Over the course of the reporting period the Sub-Fund excluded companies with revenues linked to thermal coal extraction and coal-powered utilities (20%) as well as unconventional oil and gas (10%).
PAI 10	Share of investments that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.0%	61.3%	64.1%	The Sub-Fund excludes companies in breach of UNGC as flagged by MSCI and seeks to limit exposure to companies flagged as being in violation of the UNGC principles or OECD Guidelines for Multinational Enterprises according to other external providers and will continue to do so in line with its investment process.
PAI 14	Share of investments involved in the manufacture or selling of controversial weapons (%)	0.0%	64.1%	64.1%	The Sub-Fund excludes companies involved in controversial weapons.

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

What were the top investments of this financial product?

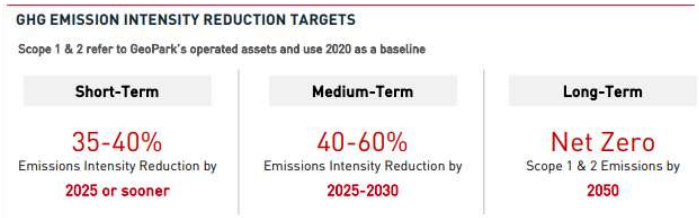
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	Country	% Assets
US TREASURY BILL ZCP	Sovereign	USA	7.96
UNIT STAT TREA BIL ZCP	Sovereign	USA	3.79
PARAGUAY	Sovereign	Paraguay	3.50
DOMINICAN REPUBLIC	Sovereign	Dominican Republic	3.46
GEOPARK LTD	Oil & Gas	Bermuda	2.95
COLOMBIA	Holding and finance companies	Colombia	2.62
IHS NETHERLANDS HOLDCO	TMT	Netherlands	2.40
PHILIPPINE GOVT BOND	Sovereign	Philippines	2.39
OLEODUCTO CENTRAL SA	Oil & Gas	Colombia	2.19
ORBIA ADVANCE CORP	Industrial	Mexico	2.03
GOLD FIELDS OROGEN	Metal & Mining	Virgin Islands	2.00
INRETAIL SHOPPING	Industrial	Peru	1.98
AAC TECHNOLOGIE	Industrial	Cayman Islands	1.90
BANQUE OUEST AFRICAINE	Sovereign	Togo	1.89
BRF REGS	Consumer	Austria	1.83

Source: Fund administration data, as of 30 December 2022
The use of different data sources and systems may result in limited variations accross the various sections of the present report.

Our approach relies on bottom-up research to assess companies' practices and commitments to ESG.

GEOPARK is an Oil and Gas exploration company which has put in place relatively ambitious GHG emission intensity reduction targets as transcribed below. It is rated A by MSCI ESG Research and outperforms its peers on the environmental score.



Source: Geopark's Apr-23 Corporate Presentation.

In addition to assessing the company from an ESG standpoint, we have engaged with the company. An initial contact with Geopark was established in Q1 2022 and a meeting with the company was set up in Q2 2022. The meeting was focused on gathering more information about their climate and environmental efforts. The company confirmed having set up climate and environmental KPIs linked to senior management remuneration. Following the meeting, we found their climate transition plan credible and maintained the position remained in the portfolio. The progress and commitment of the company will be monitored in the future.

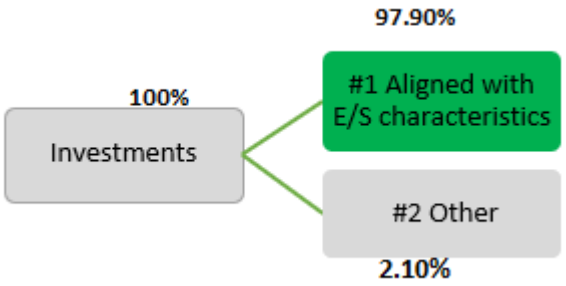
Both above mentioned examples reflect on the Investment Manager's bottom-up ESG assessment that consists in analyzing companies' ESG metrics, policies and targets case by case in order to support, through our investments, companies that are working and investing to improve in key metrics especially in the controversial sectors such as O&G and mining where transition to a significant reduction in carbonfootprint is most needed,as it will have the greatest impact on the reduction of global greenhouse gas emissions.

What was the proportion of sustainability-related investments?

0%

Asset allocation describes the share of investments in specific assets.

- ***What was the asset allocation?***



Source: UBP, as of 30 December 2022

#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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- ***In which economic sectors were the investments made?***

Sector	% of net assets
Bonds of States, provinces and municipalities	30.67
Holding and finance companies	29.49
Petroleum	8.82
Internet and Internet services	4.72
Supranational Organisations	2.87
Banks and other financial institutions	2.72
Electronics and semiconductors	1.90
Miscellaneous services	1.83
Transportation	1.77
Retail trade and department stores	1.69
Chemicals	1.47
Pharmaceuticals and cosmetics	1.44
Non-ferrous metals	1.34
Office supplies and computing	1.21
Road vehicles	1.11
Machine and apparatus construction	1.09
Electrical engineering and electronics	0.79
Coal mining and steel industry	0.76
Miscellaneous consumer goods	0.67
Real Estate companies	0.29
Total	**96.65**

Source: Fund administration data, as of 30 December 2022

The use of different data sources and systems may result in limited variations accross the various sections of the present report.

As mentioned above, investments in companies in some controversial sectors from an environmental standpoint, such as O&G and mining, that are working and investing in order to significantly reduce their carbonfootprint. This is the case with the companies that we hold in these sectors and we mentioned as an example a case of a company above in this document. In this sense, it is also worth highlighting that 24% of the exposure to the utility sector is represented by renewable power companies.

To comply with the EU taxonomy, the criteria for **fossil gas** Include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

N/A

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?***

☐ YES

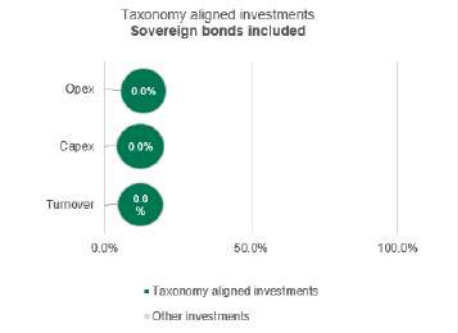
☐ In fossil gas ☐ in nuclear energy

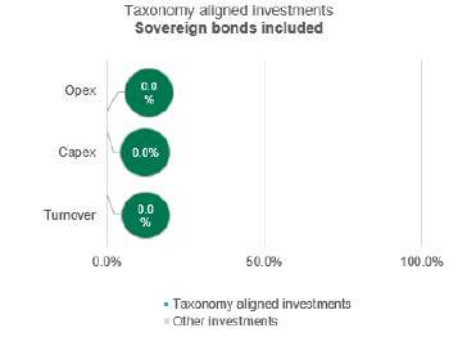
☒ NO

"1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214."

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

Source: estimated Taxonomy-alignment, Sustainalytics, as of 30 December 2022
The graph 'taxonomy aligned investments-excluded sovereign obligations' represents 100% of the total net assets.

- ***What was the share of investments in transitional and enabling activities?***

NA

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

N/A

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentall y sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

N/A

What was the share of socially sustainable investments?

N/A

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Sub-Fund held 2.1% in other net assets (cash positions for liquidity and risk management purposes). While there was no minimum environmental or social safeguards on these investments, this is not expected to have any impact on the sustainability objective of this Sub-Fund.

Source: UBP, as of 30 December 2022



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Manager strictly adhered to the sustainability processes/ safeguards described in the prospectus, including evaluating all investments against sustainability criteria with hard thresholds required to be met for inclusion, applying various exclusions and on-going monitoring of the portfolio.

During the reporting period the Sub-Fund has applied and adhered to exclusion rules to further reduce the exposure to carbon-intensive sectors and companies reported to be in violation of international standards. The exclusion criteria include:

- companies with an ESG rating from MSCI ESG Research below BB
- companies in breach of UN Global Compact or other international norms as flagged by the Red Overall Controversy Flag by MSCI ESG Research
- companies involved in controversial or nuclear weapons, exposure to unconventional oil & gas revenues (10%), exposure to thermal coal extraction (20%) as well as revenues from coal-powered utilities (20%)
- companies involved in tobacco production

As part of the investment process most companies held in the portfolio were ESG-assessed. Also, the Investment Manager engaged with some of the investee companies were deemed that this was needed. For instance, in 2022 several ESG questionnaires were sent out to companies as well as meetings were arranged to get in touch directly with the investee companies and follow-up on specific issues or for broader E, S, and G strategy questions.

Additionally, it is worth highlighting that we divested from all the companies we had in the gambling sector during the period.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

No reference benchmark.

- ***How did the reference benchmark differ from a broad market index?***

  N/A

  How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Product name: UBS (Lux) Equity Fund – China Opportunity (USD)
Legal entity identifier: 54930095U1XDI65OZQ89

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following characteristics were promoted by the financial product:

1) A lower Weighted Average Carbon Intensity (WACI) than the reference benchmark or a low absolute carbon profile.
2) A sustainability profile that is higher than its benchmark's sustainability profile or a minimum of 51% of assets invested in companies with a sustainability profile in the top half of the benchmark.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

The extent to which the environmental and/ or social characteristics promoted by this financial product is met is stated in the answer to the question "How did the sustainability indicators perform?" of this annex.

The benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product. No ESG reference benchmark has been designated for the purpose of attaining the characteristics promoted by the financial product.

The sustainability profile of the financial product is measured by its benchmark's profile and the corresponding results are calculated at least once a year from the respective monthly profiles.

How did the sustainability indicators perform?

Characteristic 1:

- The Weighted Average Carbon Intensity (WACI) was lower than that of its benchmark.
  - Weighted Average Carbon Intensity (WACI) of the financial product: 151.78 tonnes CO2 per million dollars revenues.
  - Weighted Average Carbon Intensity (WACI) of the benchmark: 230.80 tonnes CO2 per million dollars revenues.
- No low absolute carbon profile, as a low absolute carbon profile is defined as below 100 tonnes of CO2 emissions per million US dollars of revenues.

Characteristic 2:

- The UBS ESG consensus score of the financial product was higher than that of its benchmark.
  - UBS consensus score of the financial product: 4.69
  - UBS consensus score of the benchmark: 4.48
- 78.17% of assets were invested in issuers with a sustainability profile in the top half of the benchmark.

... and compared to previous periods?

Not applicable. This is the first reference period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

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

Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30 November 2022.

Largest Investments	Sector	% Net Assets*	Country
Tencent Holdings Ltd	Internet, software & IT serv	9.09	China
Kweichow Moutai Co Ltd	Tobacco & alcohol	8.08	China
NetEase Inc	Internet, software & IT serv	7.51	China
CSPC Pharmaceutical Group Ltd	Pharmaceuticals, cosm & med prod	7.31	Hong Kong
Alibaba Group Holding Ltd	Miscellaneous services	5.42	China
Ping An Insurance Group Co of China Ltd	Insurance companies	5.20	China
China Merchants Bank Co Ltd	Banks & credit institutions	4.73	China
Ping An Bank Co Ltd	Banks & credit institutions	4.42	China
AIA Group Ltd	Insurance companies	4.23	Hong Kong
Meituan	Internet, software & IT serv	3.78	China
China Resources Land Ltd	Real estate	3.19	Hong Kong
Far East Horizon Ltd	Financial & investment companies	2.63	Hong Kong
Yihai International Holding Ltd	Lodging, catering & leisure	2.56	China
Chinasoft International Ltd	Internet, software & IT serv	2.18	China
Anhui Gujing Distillery Co Ltd	Tobacco & alcohol	2.17	China

* Minor differences with "Statement of Investments in Securities" might occur due to rounding in production system

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

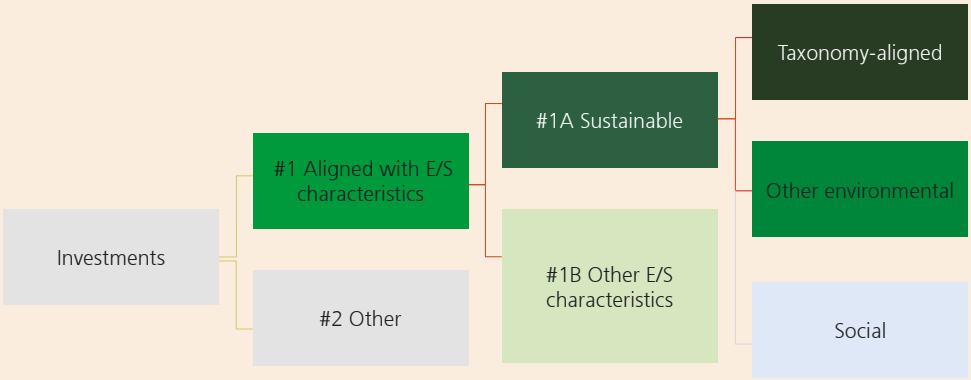
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

What was the proportion of sustainability-related investments?

Not applicable.

What was the asset allocation?



#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 category **#1 Aligned with E/S characteristics** covers:
– The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Please refer to the section "Structure of the Securities Portfolio" of the relevant subfund of this Annual report to review the breakdown of the economic sectors where the investments were made.

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

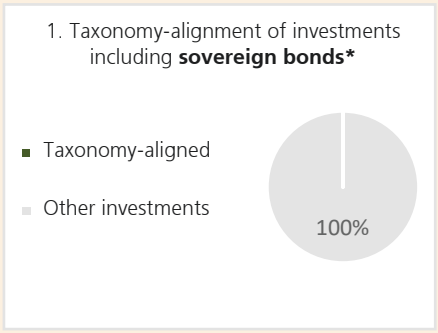
Not applicable.

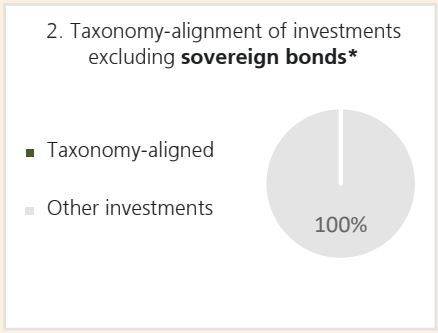
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.

What was the share of socially sustainable investments?

Not applicable.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the environmental and/ or social characteristics were met by following the investment strategy and applying exclusion criteria as per the sales prospectus. The investment strategies and/ or exclusion criteria are monitored to ensure adherence.



How did this financial product perform compared to the reference benchmark?

No ESG reference benchmark has been designated for the purpose of determining whether the financial product is aligned with the characteristics that it promotes.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- ***How did this financial product perform compared with the broad market index?***

  Not applicable.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Product name: UBS (Lux) Equity SICAV – Swiss Opportunity (CHF)
Legal entity identifier: 549300COJIM2GMLKIP90

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following characteristics are promoted by the financial product:

1) A lower Weighted Average Carbon Intensity (WACI) than the reference benchmark or a low absolute carbon profile.
2) A sustainability profile that is higher than its benchmark's sustainability profile or a minimum of 51% of assets invested in companies with a sustainability profile in the top half of the benchmark.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

The extent to which the environmental and/ or social characteristics promoted by this financial product were met is stated in the answer to the question "How did the sustainability indicators perform?" of this annex.

The benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product. No ESG reference benchmark has been designated for the purpose of attaining the characteristics promoted by the financial product.

The sustainability profile of the financial product is measured by its benchmark's profile and the corresponding results are calculated at least once a year from the respective monthly profiles.

How did the sustainability indicators perform?

Characteristic 1:

- The Weighted Average Carbon Intensity (WACI) was lower than that of its benchmark.
  - Weighted Average Carbon Intensity (WACI) of the financial product: 63.67 tonnes of CO2 per million dollars revenues.
  - Weighted Average Carbon Intensity (WACI) of the benchmark: 109.40 tonnes of CO2 per million dollars revenues.
- A low absolute carbon profile, as a low absolute carbon profile is defined as below 100 tonnes of CO2 emissions per million US dollars of revenues.

Characteristic 2:

- The UBS ESG consensus score of the financial product was lower than that of its benchmark.
  - UBS consensus score of the financial product: 7.34
  - UBS consensus score of the benchmark: 7.53
- 91.91% of assets were invested in issuers with a sustainability profile in the top half of the benchmark.

…and compared to previous periods?

Not applicable. This is the first reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

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

Not applicable.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 May 2023.

Largest Investments	Sector	% Net Assets*	Country
Roche Holding AG	Pharmaceuticals, cosm & med prod	10.06	Switzerland
Novartis AG	Pharmaceuticals, cosm & med prod	9.67	Switzerland
Nestle SA	Food & soft drinks	9.58	Switzerland
Zurich Insurance Group AG	Insurance companies	6.69	Switzerland
ABB Ltd	Electr appliances & components	4.98	Switzerland
UBS Group AG	Financial & investment companies	4.80	Switzerland
Lonza Group AG	Chemicals	4.55	Switzerland
Swiss Re AG	Insurance companies	4.34	Switzerland
Swatch Group AG/The	Watches & jewellery	3.12	Switzerland
Swisscom AG	Telecommunication	3.00	Switzerland
Swiss Life Holding AG	Insurance companies	2.95	Switzerland
Julius Baer Group Ltd	Banks & credit institutions	2.53	Switzerland
SIG Group AG	Financial & investment companies	2.26	Switzerland
Sonova Holding AG	Financial & investment companies	1.78	Switzerland
Comet Holding AG	Electr appliances & components	1.68	Switzerland

*Minor differences with "Statement of Investments in Securities" might occur due to rounding in production system

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

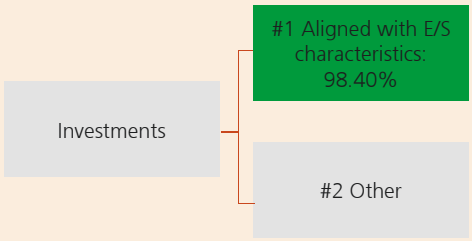
What was the proportion of sustainability-related investments?

Not applicable.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#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 category **#1 Aligned with E/S characteristics** covers:
– The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Please refer to the section "Structure of the Securities Portfolio" of the relevant subfund of this Annual report to review the breakdown of the economic sectors where the investments were made.

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

Not applicable.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

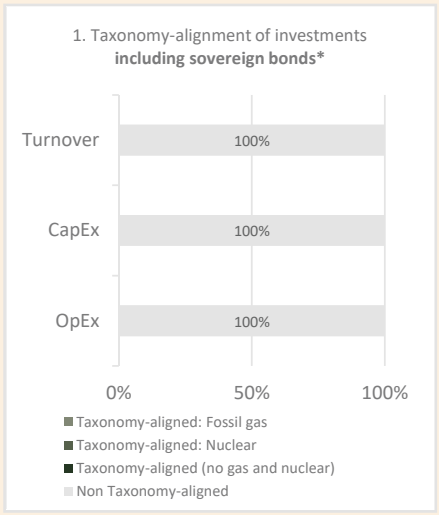
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

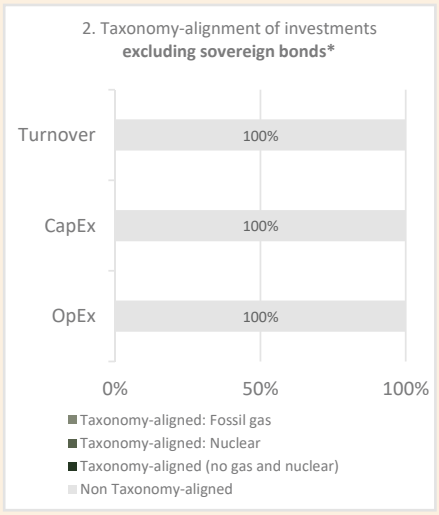
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable. This is the first reference period.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the environmental and/ or social characteristics were met by following the investment strategy and applying exclusion criteria as per the sales prospectus. The investment strategies and/ or exclusion criteria are monitored to ensure adherence.



How did this financial product perform compared to the reference benchmark?

No ESG reference benchmark has been designated for the purpose of determining whether the financial product is aligned with the characteristics that it promotes.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Product name: UBS (Lux) Equity SICAV – Engage for Impact (USD) [formerly UBS (Lux) Equity SICAV – Global Impact (USD)]

Legal entity identifier: 549300ZSXZYFYENYQ609

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 62.63% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

From 1 June 2022 until 24 November 2022, the following characteristic is promoted by the financial product:

Invest at least two thirds of its assets in equities and other equity interests of companies in developed and emerging markets worldwide that promote the United Nations Sustainable Development Goals (UN SDGs).

From 25 November 2022 onwards, the following characteristic is promoted by the financial product:

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

A 90% overlap to the proprietary impact Universe of companies which are aligned with the United Nations Sustainable Investment Goals. The product aims to provide capital appreciation and a positive environmental and/or social impact by investing in and engaging with attractively valued companies that offer products or services that are aligned to specific UN SDGs and present the potential for further impact by active engagement.

The extent to which the environmental and/ or social characteristics promoted by this financial product were met is stated in the answer to the question "How did the sustainability indicators perform?" of this annex.

The benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product. No ESG reference benchmark has been designated for the purpose of attaining the characteristics promoted by the financial product.

The sustainability profile of the financial product is measured by its benchmark's profile and the corresponding results are calculated at least once a year from the respective monthly profiles.

How did the sustainability indicators perform?

From 1 June 2022 until 24 November 2022, the financial product overlap with the promoted characteristic described above was higher than 66.7%.

- Percentage of the financial product aligned with the promoted characteristic: 81.32%

From 25 November 2022 onwards, the financial product overlap with the promoted characteristic described above was higher than 90%.

- Percentage of the financial product aligned with the promoted characteristic: 96.51%

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

…and compared to previous periods?

Not applicable. This is the first reference period.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments that the financial product partially intends to make is to contribute to the environmental and/or social characteristic(s) promoted by the financial product.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action will be excluded from the investment universe.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 May 2023.

Largest Investments	Sector	% Net Assets*	Country
Danone SA	Food & soft drinks	4.64	France
Spectris PLC	Electronics & semiconductors	4.60	United Kingdom
Alcon Inc	Financial & investment companies	4.32	Switzerland
Linde PLC	Financial & investment companies	4.10	United States of America
Bank Mandiri Persero Tbk PT	Banks & credit institutions	3.93	Indonesia
Regal Rexnord Corp	Mech engineering & ind equip	3.50	United States of America
Ingersoll Rand Inc	Financial & investment companies	3.45	United States of America
Autodesk Inc	Internet, software & IT serv	3.36	United States of America
Micron Technology Inc	Electronics & semiconductors	3.23	United States of America
Erste Group Bank AG	Banks & credit institutions	3.01	Austria
Infineon Technologies AG	Electronics & semiconductors	2.94	Germany
AIB Group PLC	Financial & investment companies	2.90	Ireland
AbbVie Inc	Pharmaceuticals, cosm & med prod	2.85	United States of America
Genmab A/S	Biotechnology	2.78	Denmark
Ecolab Inc	Chemicals	2.78	United States of America

*Minor differences with "Statement of Investments in Securities" might occur due to rounding in production system



What was the proportion of sustainability-related investments?

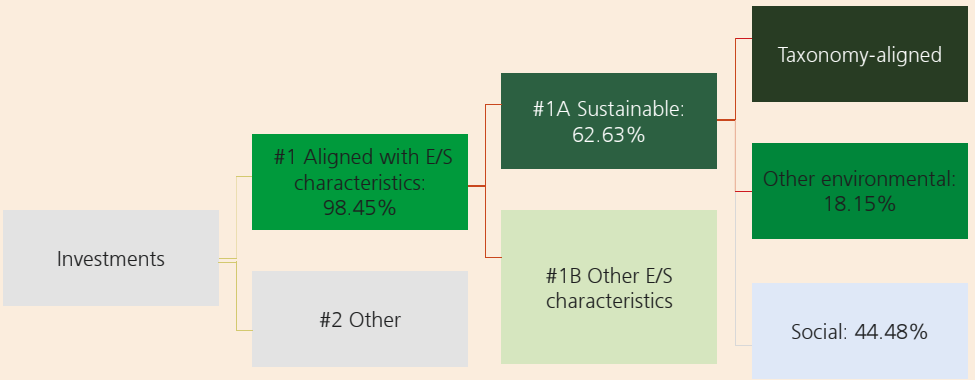
As per the end of the reference period the proportion of sustainability-related investments of the financial product was 62.63%.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What was the asset allocation?

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 May 2023.



#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 category **#1 Aligned with E/S characteristics** covers:
– The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

● ***In which economic sectors were the investments made?***

Please refer to the section "Structure of the Securities Portfolio" of the relevant subfund of this Annual report to review the breakdown of the economic sectors where the investments were made.

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

It has not been possible to collect data on the environmental objective(s) set out in Article 9 of the Taxonomy Regulation and on how and to what extent the investments underlying the financial product are in economic activities that qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation ("Taxonomy Aligned Investments"). On that basis, the financial product has 0% Taxonomy Aligned Investments.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

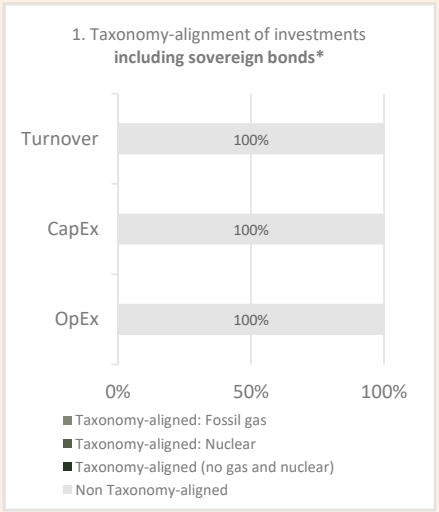
☒ No

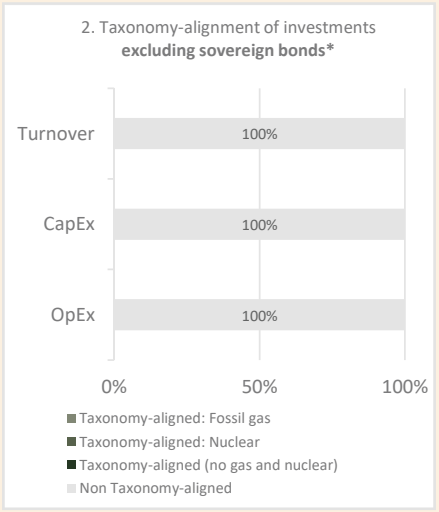
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

- ***What was the share of investments made in transitional and enabling activities?***

  There is no commitment to a minimum proportion of investments in transitional and enabling activities.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable. This is the first reference period.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The sustainable investments made by the financial product will contribute to either environmental or social objectives or both. The financial product does not commit to a predetermined combination of environmental or social objectives, and therefore there is no minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. Where the financial product does invest in environmentally sustainably investments that are not Taxonomy-aligned, this is due to the absence of necessary data to determine Taxonomy-alignment.



What was the share of socially sustainable investments?

The sustainable investments made by the financial product will contribute to either environmental or social objectives or both. The financial product does not commit a predetermined combination of environmental or social objectives, and therefore there is no minimum share of socially sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the environmental and/ or social characteristics were met by following the investment strategy and applying exclusion criteria as per the sales prospectus. The investment strategies and/ or exclusion criteria are monitored to ensure adherence.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)



How did this financial product perform compared to the reference benchmark?

No ESG reference benchmark has been designated for the purpose of determining whether the financial product is aligned with the characteristics that it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Product name: UBS (Lux) Equity SICAV – Long Term Themes (USD)
Legal entity identifier: 549300ZFARXUQG507G05

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/ Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.43% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The following characteristics are promoted by the financial product:

1) A sustainability profile that is higher than its benchmark's sustainability profile or a UBS ESG consensus score between 7 and 10 (indicating a strong sustainability profile).
2) A lower Weighted Average Carbon Intensity (WACI) than the reference benchmark or a low absolute carbon profile from 25 November 2022 onwards (i.e., date at which the characteristic became effective).

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

The extent to which the environmental and/ or social characteristics promoted by this financial product were met is stated in the answer to the question "How did the sustainability indicators perform?" of this annex.

The benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product. No ESG reference benchmark has been designated for the purpose of attaining the characteristics promoted by the financial product.

The sustainability profile of the financial product is measured by its benchmark's profile and the corresponding results are calculated at least once a year from the respective monthly profiles.

How did the sustainability indicators perform?

Characteristic 1:

The UBS ESG consensus score of the financial product was higher than that of its benchmark.

- UBS consensus score of the financial product: 7.24
- UBS consensus score of the benchmark: 6.70

The UBS ESG consensus score is below the range of 7 to 10 (indicating a strong sustainability profile).

Characteristic 2:

Frome 25 November 2022, the Weighted Average Carbon Intensity (WACI) was lower than that of its benchmark.

- Weighted Average Carbon Intensity (WACI) of the financial product: 67.06 tonnes of CO2 per million dollars revenues.
- Weighted Average Carbon Intensity (WACI) of the benchmark: 149.65 tonnes of CO2 per million dollars revenues.

A low absolute carbon profile, as a low absolute carbon profile is defined as below 100 tonnes of CO2 emissions per million US dollars of revenues.

…and compared to previous periods?

Not applicable. This is the first reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments that the financial product partially made was to contribute to the environmental and/or social characteristic(s) promoted by the financial product.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action will be excluded from the investment universe.

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 Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action will be excluded from the investment universe.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 May 2023.

Largest Investments	Sector	% Net Assets*	Country
Danone SA	Food & soft drinks	3.61	France
VMware Inc	Internet, software & IT serv	3.08	United States of America
Spectris PLC	Electronics & semiconductors	2.80	United Kingdom
Ameriprise Financial Inc	Financial & investment companies	2.75	United States of America
AstraZeneca PLC	Pharmaceuticals, cosm & med prod	2.63	United Kingdom
Vinci SA	Building industry & materials	2.62	France
Salesforce Inc	Internet, software & IT serv	2.54	United States of America
Cadence Design Systems Inc	Internet, software & IT serv	2.36	United States of America
UnitedHealth Group Inc	Healthcare & social services	2.33	United States of America
Costco Wholesale Corp	Retail trade, department stores	2.32	United States of America
Bunge Ltd	Food & soft drinks	2.29	United States of America
Aon PLC	Financial & investment companies	2.24	United States of America
Bank Central Asia Tbk PT	Banks & credit institutions	2.24	Indonesia
Prysmian SpA	Telecommunication	2.16	Italy
Koninklijke Philips NV	Electronics & semiconductors	2.15	Netherlands

*Minor differences with "Statement of Investments in Securities" might occur due to rounding in production system



What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 59.43%.

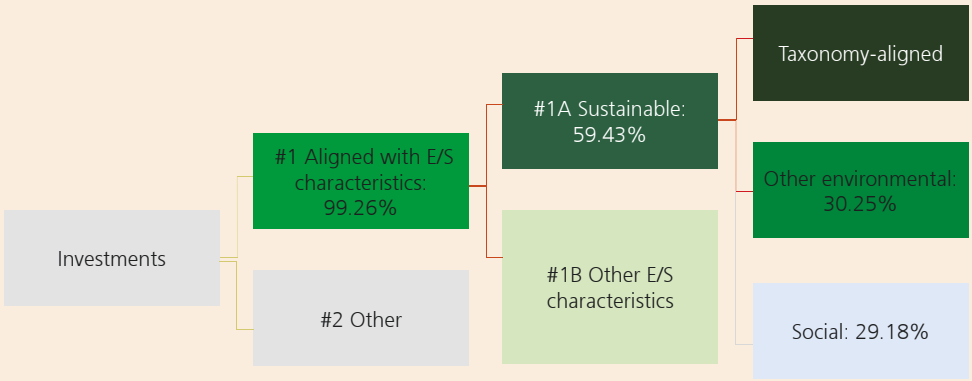
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 May 2023.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#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 category **#1 Aligned with E/S characteristics** covers:
– The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Please refer to the section "Structure of the Securities Portfolio" of the relevant subfund of this Annual report to review the breakdown of the economic sectors where the investments were made.

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

It has not been possible to collect data on the environmental objective(s) set out in Article 9 of the Taxonomy Regulation and on how and to what extent the investments underlying the financial product are in economic activities that qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation ("Taxonomy Aligned Investments"). On that basis, the financial product has 0% Taxonomy Aligned Investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

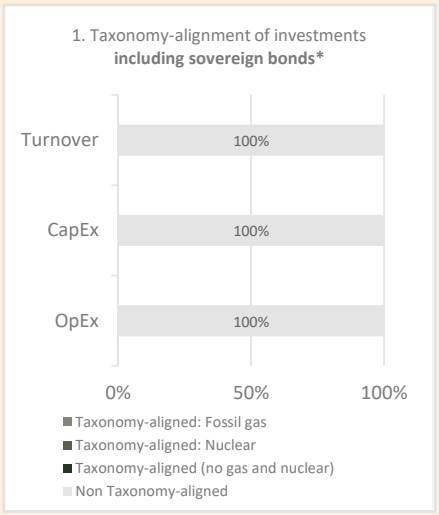
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

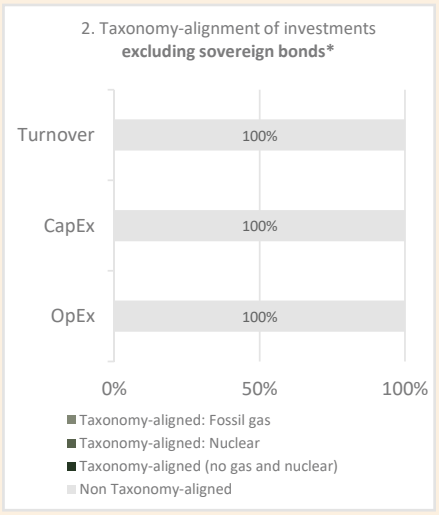
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

- ***What was the share of investments made in transitional and enabling activities?***

  There is no commitment to a minimum proportion of investments in transitional and enabling activities.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable. This is the first reference period.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The sustainable investments made by the financial product will contribute to either environmental or social objectives or both. The financial product does not commit to a predetermined combination of environmental or social objectives, and therefore there is no minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. Where the financial product does invest in environmentally sustainably investments that are not Taxonomy-aligned, this is due to the absence of necessary data to determine Taxonomy-alignment.

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)



What was the share of socially sustainable investments?

The sustainable investments made by the financial product will contribute to either environmental or social objectives or both. The financial product does not commit a predetermined combination of environmental or social objectives, and therefore there is no minimum share of socially sustainable investments.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the environmental and/ or social characteristics were met by following the investment strategy and applying exclusion criteria as per the sales prospectus. The investment strategies and/ or exclusion criteria are monitored to ensure adherence.



How did this financial product perform compared to the reference benchmark?

No ESG reference benchmark has been designated for the purpose of determining whether the financial product is aligned with the characteristics that it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

  Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - Emerging Markets Equity (FQ_00068)

Legal entity identifier: ZM4Q3MBON4HNUYCJQU59

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective: ___%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: ___%**	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics and invested in issuers that the Investment Manager considered well-prepared to handle financially material environmental and social challenges. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	During the reporting period, there were two potential breaches of UNGC standards. After review, a positive outlook has been identified by the Research and ESG Analyst(s) and confirmed by Investment Risk.
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI Emerging Markets TR net.)	72.63 tons CO2e/USD million revenue (Sub-Fund) vs 321.75 tons CO2e/USD million revenue (benchmark)	
Percentage of securities covered by ESG analysis	100%	

... and compared to previous periods ?

Sustainability Indicator	year ending on August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A

Sustainability Indicator	year ending on August 31, 2022
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI Emerging Markets TR net.)	N/A
Percentage of securities covered by ESG analysis	N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not Applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not Applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Not Applicable

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

  Not Applicable

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), greenhouse gas emissions (Table 1 – PAI indicator 3: GHG intensity of investee companies), biodiversity (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas), and social and employee matters (Table 1 – PAI indicator 13: Board gender diversity). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Taiwan Semiconductor Manufacturing	Electronics & semiconductors	5.67	Taiwan
Tencent Holdings	Internet, software & IT services	5.54	Cayman Islands
HDFC Bank	Banks & other credit institutions	5.13	India
Samsung Electronics	Electronics & semiconductors	4.65	Korea, Republic Of
Walmart de Mexico	Retail trade & department stores	3.39	Mexico
Bank Rakyat Indonesia TBK PT	Banks & other credit institutions	3.10	Indonesia
Yum China Holdings	Lodging & catering ind., leisure facilities	2.77	United States
Alibaba Group Holding	Internet, software & IT services	2.66	Cayman Islands
President Chain Store	Retail trade & department stores	2.56	Taiwan
Reliance Industries	Chemicals	2.45	India
Raia Drogasil	Pharmaceuticals, cosmetics & med. products	2.43	Brazil
Hong Kong Exchanges and Clearing	Banks & other credit institutions	2.35	Hong-Kong
Eicher Motors	Vehicles	2.15	India
Heineken	Tobacco & alcoholic beverages	2.09	Netherlands

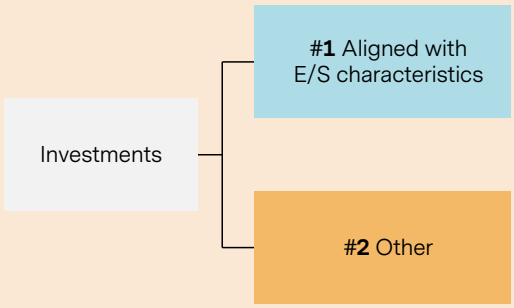
Largest investments	Sector	% Assets	Country
Alibaba Group Holding	Internet, software & IT services	1.74	Cayman Islands

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 95.99% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

95.99%	of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (4.01%)

In which economic sectors were the investments made?

Economic sector	
Internet, software & IT services	17.20
Banks & other credit institutions	16.44
Electronics & semiconductors	11.40
Retail trade & department stores	9.44
Pharmaceuticals, cosmetics & med. products	5.29
Lodging & catering ind., leisure facilities	4.80
Tobacco & alcoholic beverages	3.40
Miscellaneous trading companies	3.27
Miscellaneous services	2.90
Food & soft drinks	2.59
Chemicals	2.45
Electrical appliances & components	2.45
Vehicles	2.15
Mechanical engineering & industrial equip.	2.07
Energy & water supply	1.58
Telecommunication	1.34
Traffic & Transportation	1.19
Non-ferrous metals	1.13
Building materials & building industry	1.07
Computer hardware & networking	1.00
Miscellaneous consumer goods	0.83
Textiles, garments & leather goods	0.81
Mining, coal & steel	0.78
Financial, investment & other diversified comp.	0.70
Healthcare & social services	0.15

2.36% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

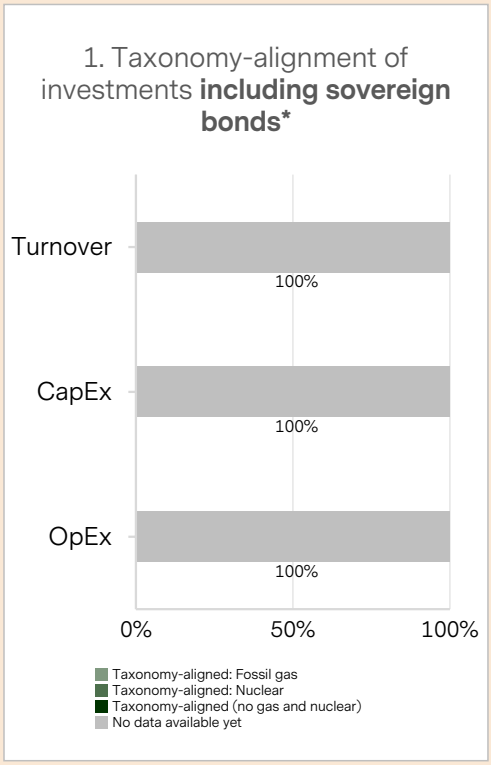
☐ In fossil gas ☐ In nuclear energy

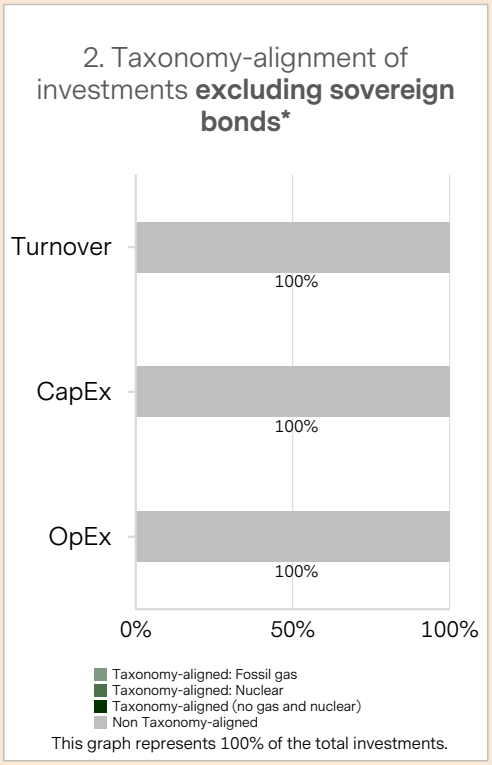
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
year ending on August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (4.01%)	Liquidity management	No minimum environmental or social safeguards were applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - Euro Corporate Bond (FF_00075)

Legal entity identifier: 5299007O53L3LRN24X46

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted social transition through empowerment with a focus on pre-defined empowerment indicators. The Investment Manager favored issuers that performed well in such indicators or were on their way to perform well in these indicators while excluding any issuers that were not aligned with the strategy. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in securities of sovereign issuers with substantial UN or international sanctions	0%	
Percentage of investments in securities of corporate issuers that, in respect to the pre-defined empowerment related indicators (i.e. diversity oversight by management and programs, percentage of women in total workforce, ILO Labor core convention violations and percentage of employees to receive training provided by specialized third-party ESG research), (i) perform well, or (ii) are on their way to perform well in these indicators, or (iii) where potential for improvement has been identified, based on the Investment Manager's analysis	(i): 60.39% (ii): 17.62% (iii): 1.23%	
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	Two issuers were exposed to severe controversies (Glencore and Volkswagen). A positive outlook has been identified by the ESG Analyst and confirmed by Investment Risk.
Sub-Fund's weighted average UN Global Compact profile, compared to the investment universe (i.e. euro investment grade corporate debt market)	Sub-Fund: 82.75 Universe: 81.13	
Percentage of securities covered by ESG analysis	Exclusions and Screening: 100% Controversies and UNGC: 99.5%	

... and compared to previous periods ?

Sustainability Indicator	August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	N/A
Percentage of investments in securities of sovereign issuers with substantial UN or international sanctions	N/A

Sustainability Indicator	August 31, 2022
Percentage of investments in securities of corporate issuers that, in respect to the pre-defined empowerment related indicators (i.e. diversity oversight by management and programs, percentage of women in total workforce, ILO Labor core convention violations and percentage of employees to receive training provided by specialized third-party ESG research), (i) perform well, or (ii) are on their way to perform well in these indicators, or (iii) where potential for improvement has been identified, based on the Investment Manager's analysis	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A
Sub-Fund's weighted average UN Global Compact profile, compared to the investment universe (i.e. euro investment grade corporate debt market)	N/A
Percentage of securities covered by ESG analysis	N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not Applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not Applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Not Applicable

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

  Not Applicable

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), environment-related indicators (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas, PAI indicator 8: Emissions to water, PAI indicator 9: Hazardous waste and radioactive waste ratio), and social and employee rights (PAI indicator 13: Board gender diversity, and for sovereigns PAI indicator 16: Investee countries subject to social violations). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Vontobel Fund - Global High Yield Bond I EUR **	Investment or pension funds/trusts	2.14	Luxembourg
Vontobel Fund - Credit Opportunities E USD **	Investment or pension funds/trusts	1.02	Luxembourg
Portugal	Countries & central governments	0.97	Portugal
Spain	Countries & central governments	0.92	Spain
Spain	Countries & central governments	0.91	Spain
DH Europe Finance	Financial, investment & other diversified comp.	0.88	Luxembourg
American International Group	Insurance companies	0.82	United States
Heathrow Funding	Aeronautic & astronautic industry	0.80	Jersey
Heathrow Funding	Aeronautic & astronautic industry	0.77	Jersey
NatWest Group	Banks & other credit institutions	0.76	United Kingdom
Credit Agricole	Banks & other credit institutions	0.71	United Kingdom
Lonza Finance International	Financial, investment & other diversified comp.	0.70	Belgium
Banque Federative du Credit Mutuel	Banks & other credit institutions	0.66	France
Barclays	Banks & other credit institutions	0.64	United Kingdom
Siemens Finance	Financial, investment & other diversified comp.	0.62	Netherlands

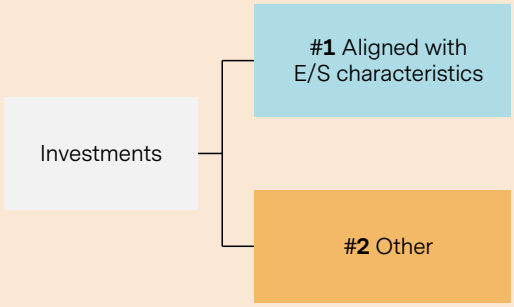


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 94.70% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

94.70% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (5.3%)

In which economic sectors were the investments made?

Economic sector	
Banks & other credit institutions	27.45
Financial, investment & other diversified comp.	24.98
Insurance companies	9.32
Energy & water supply	5.50
Traffic & Transportation	5.40
Telecommunication	4.75
Real estate	3.90
Countries & central governments	3.26
Investment or pension funds/trusts	3.25
Aeronautic & astronautic industry	1.82
Vehicles	1.52
Petroleum/Oil and natural gas	1.16
Forestry, paper & forest products	1.10
Internet, software & IT services	1.06
Building materials & building industry	0.65
Packaging industries	0.64
Electrical appliances & components	0.64
Graphics, publishing & printing media	0.62
Mechanical engineering & industrial equip.	0.36
Miscellaneous services	0.29
Food & soft drinks	0.12
Mortgage & funding institutions	0.07

6.66% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus. Also, the Sub-Fund might invest in bonds labeled as green, social, or sustainability bonds. These bonds typically fund projects unrelated to fossil fuels, even if the companies issuing them can be active in sectors with potential links to fossil fuels.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

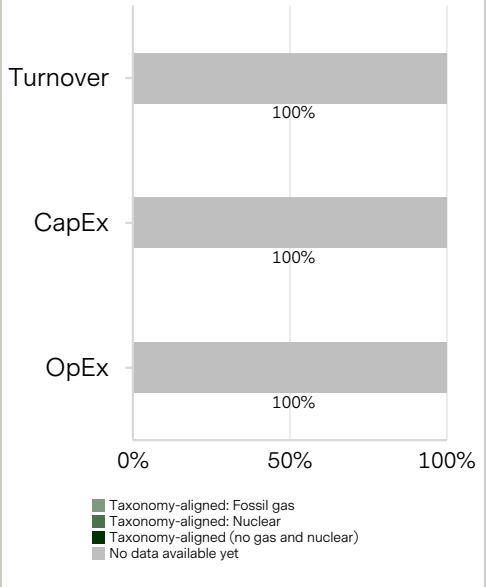
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

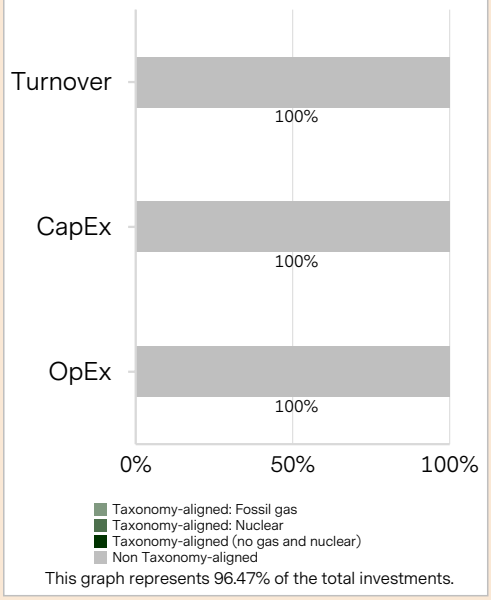
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 96.47% of the total investments.

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

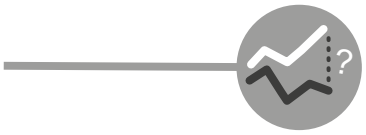
What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (0.97%)	Liquidity management	No minimum environmnetal or social safeguards were applied.
Derivatives (1.17%)	Hedging	No minimum environmnetal or social safeguards were applied.
Funds (3.25%)	Investment/ Diversification	Minimum environmental and social safeguards applied to one SFDR Art.8 fund (0.09%). No minimum environmental and social safeguards applied to the rest of the funds (3.16%).



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - European Equity (FQ_00078)

Legal entity identifier: WMZ8K5LDTZ4Z1L1E2V22

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective: ___%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: ___%**	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics and invested in issuers that the Investment Manager considered well-prepared to handle financially material environmental and social challenges. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI Europe Index TR net)	66.71 tons CO2e/USD million revenue (Sub-Fund) vs 96.55 tons CO2e/USD million revenue (benchmark)	
Percentage of securities covered by ESG analysis	100%	

... and compared to previous periods ?

Sustainability Indicator	year ending on August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI Europe Index TR net)	N/A
Percentage of securities covered by ESG analysis	N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

  Not applicable.

  - *How were the indicators for adverse impacts on sustainability factors taken into account?*

    Not applicable.

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

    Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), greenhouse gas emissions (Table 1 – PAI indicator 3: GHG intensity of investee companies), biodiversity (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas), and social and employee matters (Table 1 – PAI indicator 13: Board gender diversity). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2022

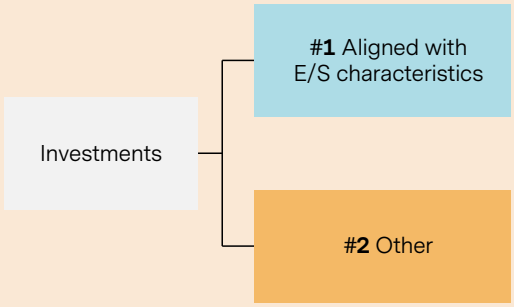
Largest investments	Sector	% Assets	Country
Nestlé	Food & soft drinks	5.18	Switzerland
RELX	Graphics, publishing & printing media	5.06	United Kingdom
London Stock Exchange Group	Financial, investment & other diversified comp.	4.94	United Kingdom
Alcon	Chemicals	4.87	Switzerland
Rentokil Initial	Miscellaneous services	4.55	United Kingdom
Vinci	Building materials & building industry	4.10	France
Wolters Kluwer	Graphics, publishing & printing media	3.79	Netherlands
Ferrari	Vehicles	3.49	Netherlands
EssilorLuxotticca	Pharmaceuticals, cosmetics & med. products	3.37	France
Flutter Entertainment	Lodging & catering ind., leisure facilities	3.34	Ireland
Edenred	Financial, investment & other diversified comp.	3.23	France
Heineken	Tobacco & alcoholic beverages	3.19	Netherlands
Inwit	Telecommunication	3.02	Italy

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 95.94% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

95.94% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (4.06%)

In which economic sectors were the investments made?

Economic sector	
Financial, investment & other diversified comp.	12.99
Miscellaneous services	11.99
Chemicals	10.37
Graphics, publishing & printing media	8.85
Tobacco & alcoholic beverages	8.20
Pharmaceuticals, cosmetics & med. products	6.64
Mechanical engineering & industrial equip.	5.61
Food & soft drinks	5.18
Internet, software & IT services	4.49
Building materials & building industry	4.10
Electronics & semiconductors	4.02
Vehicles	3.49
Lodging & catering ind., leisure facilities	3.34
Telecommunication	3.02
Energy & water supply	1.51
Textiles, garments & leather goods	1.02
Miscellaneous trading companies	1.00

1.51% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

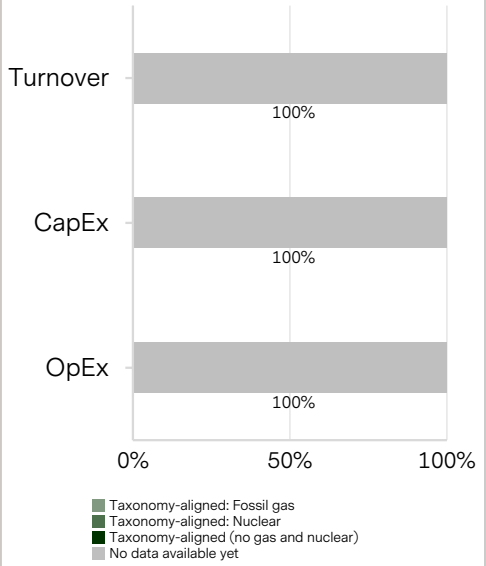
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

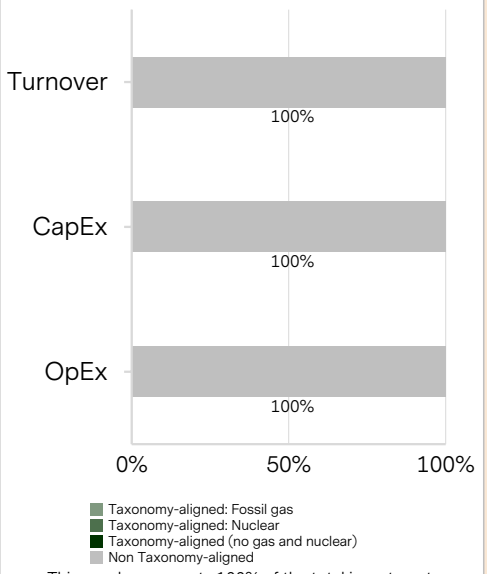
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
year ending on August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (4.06%)	Liquidity management	No minimum environmental or social safeguards were applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - Bond Global Aggregate (FF_00056)

Legal entity identifier: 5299008301SVLPAHIM72

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics by investing in issuers that the Investment Manager considered well-prepared to handle financially material environmental and/or social challenges. Issuers were selected based on the Investment Manager's ESG framework. In addition, it partially targeted instruments providing solutions to environmental challenges, i.e. climate change. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligeable part of their revenues from products and/or activities excluded by the Sub-Fund	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in securities of sovereign issuers with UN and EU sanctions	0%	
Percentage of investments in securities of corporate issuers that pass the minimum MSCI ESG rating that has been set for this Sub-Fund (determined based on the lowest decile, potentially subject to the Investment Manager's review)	100%	
Percentage of investments in securities of corporate issuers that pass the minimum environmental rating that has been set for this Sub-Fund (applied unless the corporate issuer has an MSCI ESG rating between A and AAA; minimum is set between 2.4 and 6.5 out of 10, depending on the sector)	98.65%	The exposure consisted of one issuer (Israel Electric) for which the environmental score fell below the minimum threshold. For Israel Electric, the environmental rating was 3.9, while the minimum rating to obtain was 5.65. Due to the illiquid market, the position could not yet be sold.
Percentage of investments in securities of sovereign issuers that pass the minimum ESG rating that has been set for this Sub-Fund (determined based on the lowest decile based on a proprietary methodology)	100%	
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies. Such controversies may be related to environmental, social or governance issues.	0%	
Percentage of investments in green and/or sustainability bonds	7.68%	
Percentage of securities covered by ESG analysis	Exclusions: 100% Controversies and UNGC: 86.63% Screening: 83.27%	

... and compared to previous periods ?

Sustainability Indicator	August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligeable part of their revenues from products and/or activities excluded by the Sub-Fund	N/A
Percentage of investments in securities of sovereign issuers with UN and EU sanctions	N/A
Percentage of investments in securities of corporate issuers that pass the minimum MSCI ESG rating that has been set for this Sub-Fund (determined based on the lowest decile, potentially subject to the Investment Manager's review)	N/A
Percentage of investments in securities of corporate issuers that pass the minimum environmental rating that has been set for this Sub-Fund (applied unless the corporate issuer has an MSCI ESG rating between A and AAA; minimum is set between 2.4 and 6.5 out of 10, depending on the sector)	N/A
Percentage of investments in securities of sovereign issuers that pass the minimum ESG rating that has been set for this Sub-Fund (determined based on the lowest decile based on a proprietary methodology)	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies. Such controversies may be related to environmental, social or governance issues.	N/A
Percentage of investments in green and/or sustainability bonds	N/A
Percentage of securities covered by ESG analysis	N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not Applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not Applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Not Applicable

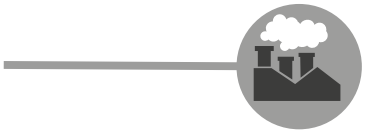
- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

  Not Applicable

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), climate and other environment-related indicators (Table 1 – PAI indicator 1: GHG emissions (Scope 1 and 2), Scope 1 GHG emissions, Scope 2 GHG emissions, Total GHG emissions (Scope 1 and 2), PAI indicator 2: Carbon footprint, PAI indicator 3: GHG intensity of investee companies, PAI indicator 4: Exposure to companies active in the fossil fuel sector, PAI indicator 5: Share of non-renewable energy consumption and production, PAI indicator 6: Energy consumption intensity per high impact climate sector, PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas, PAI indicator 8: Emissions to water, PAI indicator 9: Hazardous waste and radioactive waste ratio), and social aspects for sovereigns (PAI indicator 16: Investee countries subject to social violations). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Vontobel Fund - Credit Opportunities E USD **	Investment or pension funds/trusts	8.81	Luxembourg
Germany	Countries & central governments	4.11	Germany
France	Countries & central governments	2.62	France
Goldman Sachs	Banks & other credit institutions	1.21	United States
Standard Chartered	Banks & other credit institutions	1.18	United Kingdom
European Investment Bank	Supranational organisations	1.18	Luxembourg
Fidei	Traffic & Transportation	1.17	Colombia
Scor	Insurance companies	1.17	France
Banque Ouest-Africaine de Developpement	Supranational organisations	1.10	Togo
Germany	Countries & central governments	1.10	Germany
Barclays	Banks & other credit institutions	1.10	United Kingdom
Zurich Finance Ireland	Financial, investment & other diversified comp.	1.04	Ireland
Holcim Capital	Financial, investment & other diversified comp.	1.04	Luxembourg
Peru Payroll Deduction	Mortgage & funding institutions	1.01	Cayman Islands
HSBC Holdings	Banks & other credit institutions	0.98	United Kingdom

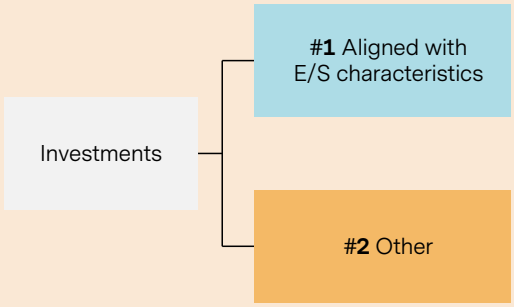


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 75.78% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

75.78% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (24.22%)

In which economic sectors were the investments made?

Economic sector	
Banks & other credit institutions	24.25
Financial, investment & other diversified comp.	15.67
Countries & central governments	11.11
Investment or pension funds/trusts	9.72
Insurance companies	6.40
Supranational organisations	2.96
Petroleum/Oil and natural gas	2.82
Traffic & Transportation	2.80
Real estate	2.66
Electrical appliances & components	1.17
Mortgage & funding institutions	1.01
Telecommunication	0.97
Forestry, paper & forest products	0.88
Energy & water supply	0.83
Graphics, publishing & printing media	0.60
Public, non-profit institutions	0.29
Chemicals	0.24
Mining, coal & steel	0.13
Pharmaceuticals, cosmetics & med. products	0.08

3.78% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus. Also, the Sub-Fund might invest in bonds labeled as green, social, or sustainability bonds. These bonds typically fund projects unrelated to fossil fuels, even if the companies issuing them can be active in sectors with potential links to fossil fuels.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

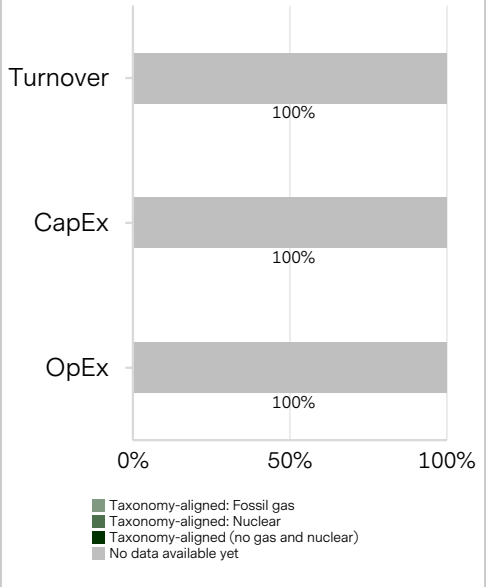
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

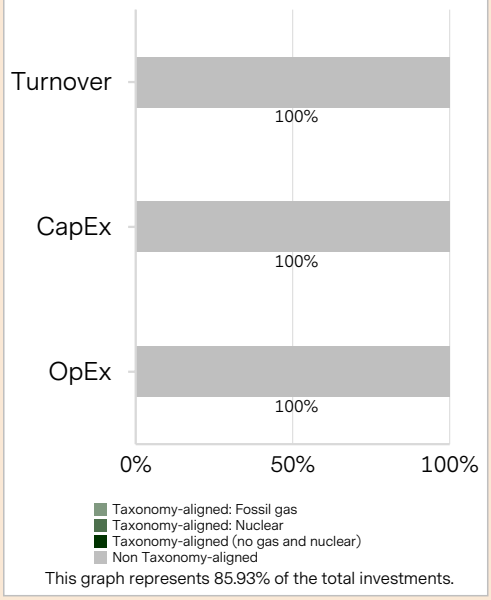
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 85.93% of the total investments.

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Liquidity management	Liquidity management	No minimum environmental or social safeguards were applied.
Derivatives (2.18%)	Hedging	No minimum environmental or social safeguards were applied.
Funds (8.81%)	Investment/ Diversification	No minimum environmental or social safeguards were applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the

investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - Global Equity (FQ_00140)

Legal entity identifier: HKDKDIFFGRVL37GZF444

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective: ___%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective: ___%**	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics and invested in issuers that the Investment Manager considered well-prepared to handle financially material environmental and social challenges. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	During the reporting period, there was one potential breach of UNGC standards. After review, a positive outlook has been identified by the Research and ESG Analyst(s) and confirmed by Investment Risk.
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI All Country World Index TR net).	43.31 tons CO2e/USD million revenue (Sub-Fund) vs 134.64 tons CO2e/USD million revenue (benchmark)	
Percentage of securities covered by ESG analysis	100%	

... and compared to previous periods ?

Sustainability Indicator	year ending August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A

Sustainability Indicator	year ending August 31, 2022
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (MSCI All Country World Index TR net).	N/A
Percentage of securities covered by ESG analysis	N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Not applicable.

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

  Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), greenhouse gas emissions (Table 1 – PAI indicator 3: GHG intensity of investee companies), biodiversity (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas), and social and employee matters (Table 1 – PAI indicator 13: Board gender diversity). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Microsoft	Internet, software & IT services	5.50	United States
Nestlé	Food & soft drinks	4.54	Switzerland
Coca-Cola	Food & soft drinks	4.40	United States
Amazon.com	Retail trade & department stores	4.39	United States
HDFC Bank	Banks & other credit institutions	4.21	India
RELX	Graphics, publishing & printing media	3.91	United Kingdom
CME Group	Financial, investment & other diversified comp.	3.91	United States
UnitedHealth Group	Healthcare & social services	3.48	United States
Mastercard	Financial, investment & other diversified comp.	3.46	United States
London Stock Exchange Group	Financial, investment & other diversified comp.	3.25	United Kingdom
Flutter Entertainment	Lodging & catering ind., leisure facilities	2.81	Ireland
Abbott Laboratories	Pharmaceuticals, cosmetics & med. products	2.75	United States

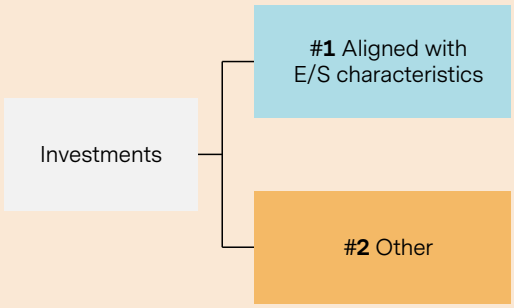
Largest investments	Sector	% Assets	Country
Boston Scientific	Pharmaceuticals, cosmetics & med. products	2.73	United States
Heineken	Tobacco & alcoholic beverages	2.68	Netherlands

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 97.55% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

97.55%	of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (2.45%)

In which economic sectors were the investments made?

Economic sector	
Internet, software & IT services	17.33
Financial, investment & other diversified comp.	14.62
Pharmaceuticals, cosmetics & med. products	12.16
Food & soft drinks	8.94
Retail trade & department stores	8.46
Banks & other credit institutions	5.93
Lodging & catering ind., leisure facilities	4.11
Graphics, publishing & printing media	3.91
Miscellaneous services	3.79
Electronics & semiconductors	3.65
Mechanical engineering & industrial equip.	3.54
Healthcare & social services	3.48
Chemicals	3.11
Tobacco & alcoholic beverages	2.68
Building materials & building industry	1.00
Textiles, garments & leather goods	0.70
Electrical appliances & components	0.50

0% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

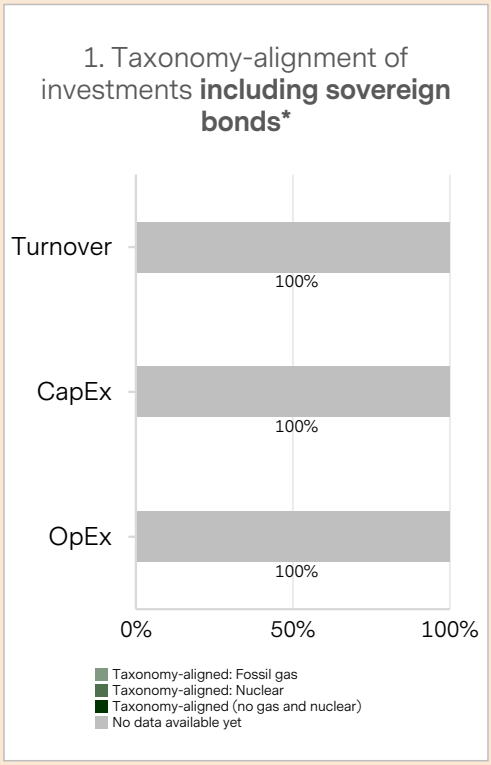
☐ In fossil gas ☐ In nuclear energy

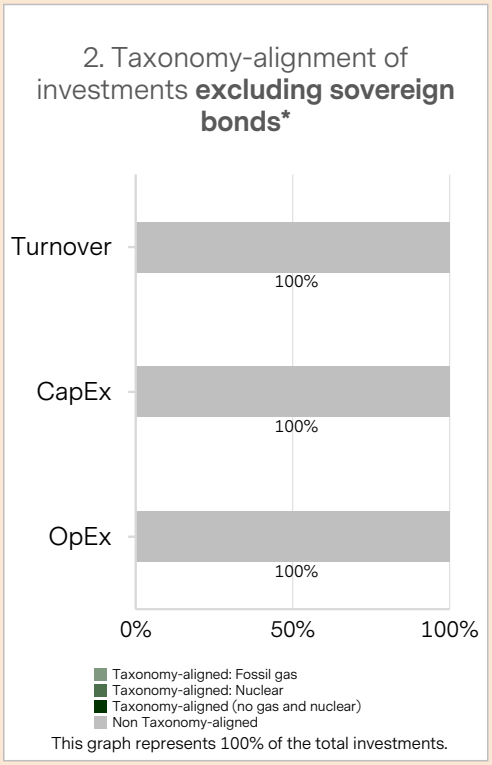
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
year ending on August 31, 2022	0.00%



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%



What was the share of socially sustainable investments?

Investment share
0.00%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (2.45%)	Liquidity management	No minimum environmental or social safeguards were applied.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - TwentyFour Strategic Income Fund (FT_00126)

Legal entity identifier: 222100B4OXV5BVOSPQ71

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted certain environmental and social characteristics by investing in issuers that the Investment Manager considered well prepared to handle financially material environmental and social challenges. Issuers were screened in accordance with the Investment Manager's view of appropriate sustainability parameters as measured in Investment Manager's proprietary Environmental (E) and Social (S) scoring model. Additionally, the Sub-Fund applied certain exclusion criteria with regards to products and activities related to unconventional / controversial weapons. The Sub-Fund has not designated a

reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex.
Percentage of investments in securities of corporate issuers that pass the minimum combined E&S score (set at 12 out of 100) that has been set for this Sub-Fund as described in the investment strategy section of the pre-contractual disclosure annex	96.46%	

… and compared to previous periods ?

Sustainability Indicator	year ending on August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund	N/A
Percentage of investments in securities of corporate issuers that pass the minimum combined E&S score (set at 12 out of 100) that has been set for this Sub-Fund as described in the investment strategy section of the pre-contractual disclosure annex	N/A

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Not applicable

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

  Not applicable

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: environmental aspects, Exposure to companies active in the fossil fuel sector (Table 1 – PAI indicator 4) and social aspects, Exposure to controversial weapons (Table 1 – PAI indicator 14) and Board Gender Diversity (Table 1 – PAI indicator 13). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
United States	Countries & central governments	8.62	United States
United States	Countries & central governments	5.67	United States
United States	Countries & central governments	4.13	United States
United States	Countries & central governments	3.15	United States
United States	Countries & central governments	2.59	United States
Nationwide Building Society Core Capital Deferred	Banks & other credit institutions	1.21	United Kingdom
Coventry Building Society	Banks & other credit institutions	1.10	United Kingdom
Lloyds Banking Group	Banks & other credit institutions	1.07	United Kingdom
Phoenix Group Holdings	Financial, investment & other diversified comp.	1.07	United Kingdom
Nationwide Building Society	Banks & other credit institutions	1.05	United Kingdom
Pension Insurance	Financial, investment & other diversified comp.	1.02	United Kingdom
Rothesay Life	Insurance companies	0.99	United Kingdom
Barclays	Banks & other credit institutions	0.88	United Kingdom
Nationwide Building Society	Banks & other credit institutions	0.78	United Kingdom
Danske Bank	Banks & other credit institutions	0.77	Denmark

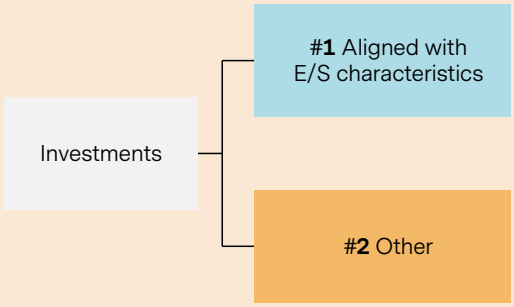


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 96.46% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

96.46% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (3.54%)

In which economic sectors were the investments made?

Economic sector	
Financial, investment & other diversified comp.	25.98
Banks & other credit institutions	24.92
Countries & central governments	24.81
Insurance companies	5.69
Mortgage & funding institutions	3.96
Telecommunication	2.43
Investment or pension funds/trusts	1.53
Miscellaneous services	1.08
Healthcare & social services	1.03
Vehicles	1.02
Energy & water supply	0.77
Pharmaceuticals, cosmetics & med. products	0.64
Electronics & semiconductors	0.42
Internet, software & IT services	0.42
Traffic & Transportation	0.37
Packaging industries	0.33
Building materials & building industry	0.31

1.54% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus. Also, the Sub-Fund might invest in bonds labeled as green, social, or sustainability bonds. These bonds typically fund projects unrelated to fossil fuels, even if the companies issuing them can be active in sectors with potential links to fossil fuels.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

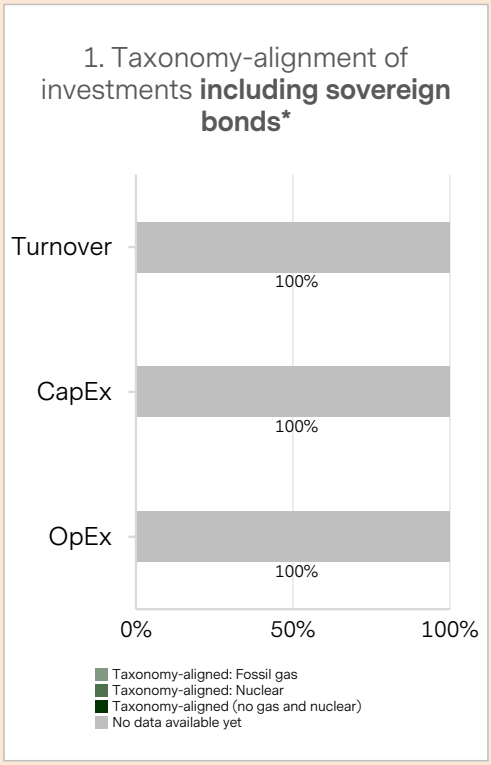
☐ In fossil gas ☐ In nuclear energy

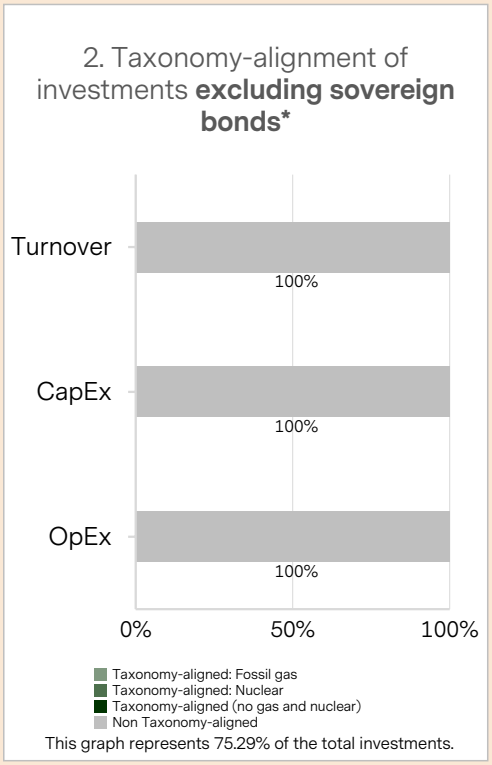
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (3.54%)	Liquidity Management	None

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Vontobel Fund - US Equity (FQ_00128)

Legal entity identifier: 529900V0F1A5URWGJS61

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics promoted by the Sub-Fund were met. The Sub-Fund promoted environmental and social characteristics and invested in issuers that the Investment Manager considered well-prepared to handle financially material environmental and social challenges. Issuers were selected based on the Investment Manager's ESG framework. The Sub-Fund has not designated a reference benchmark for the purpose of attaining the environmental and social characteristics that it promotes.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Sustainability Indicator	Value	Comment
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	0%	Excluded products and /or activities are indicated under the investment strategy section of the pre-contractual disclosure annex
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	0%	
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (S&P 500 – TR).	31.21 tons CO2e/USD million revenue (Sub-Fund) vs 113.83 tons CO2e/USD million revenue (benchmark)	
Percentage of securities covered by ESG analysis	100%	

... and compared to previous periods ?

Sustainability Indicator	year ending on August 31, 2022
Percentage of investments in securities of corporate issuers that derive a non-negligible part of their revenues from products and/or activities excluded by the Sub-Fund.	N/A
Percentage of investments in issuers that are in violation of certain international norms and standards promoted by the Sub-Fund or that are exposed to severe controversies (unless a positive outlook has been identified). Such controversies may be related to environmental, social or governance issues	N/A
Sub-Fund's weighted average carbon intensity compared to the investment universe. The investment universe is represented by the Sub-Fund's benchmark (S&P 500 – TR).	N/A
Percentage of securities covered by ESG analysis	N/A

- ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

  Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

  Not applicable.

  - *How were the indicators for adverse impacts on sustainability factors taken into account?*

    Not applicable.

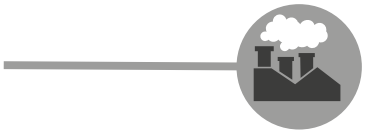
  - *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

    Not applicable.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered a set of principal adverse impacts on sustainability factors in the following areas: controversial weapons (Table 1 – PAI indicator 14: Exposure to controversial weapons), social matters and human rights (Table 1 – PAI indicator 10: Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises), greenhouse gas emissions (Table 1 – PAI indicator 3: GHG intensity of investee companies), biodiversity (Table 1 – PAI indicator 7: Activities negatively affecting biodiversity-sensitive areas), and social and employee matters (Table 1 – PAI indicator 13: Board gender diversity). The Investment Manager applied a process to identify issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research and/or external data sources, including ESG data providers, news alerts, and the issuers themselves. No investment was identified as having a critical and poorly managed impact in any of the principal adverse impacts areas considered.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: August 31, 2023

Largest investments	Sector	% Assets	Country
Microsoft	Internet, software & IT services	5.45	United States
CME Group	Financial, investment & other diversified comp.	4.43	United States
Intercontinental Exchange	Financial, investment & other diversified comp.	4.23	United States
Comcast	Graphics, publishing & printing media	4.23	United States
Mondelez International	Food & soft drinks	4.21	United States
Berkshire Hathaway 'A'	Financial, investment & other diversified comp.	4.16	United States
Alphabet 'C'	Internet, software & IT services	4.15	United States
Coca-Cola	Food & soft drinks	4.14	United States
Adobe	Internet, software & IT services	4.10	United States
Mastercard	Financial, investment & other diversified comp.	4.09	United States
Amazon.com	Retail trade & department stores	3.89	United States
UnitedHealth Group	Healthcare & social services	3.66	United States

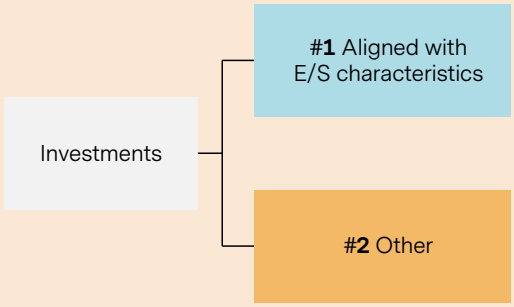


What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

The proportion of sustainability-related investments was 98.19% (assets aligned with environmental and social characteristics).

What was the asset allocation?



#1 Aligned with E/S characteristics indludes 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.

98.19% of the investments of the financial product were used to attain the environmental and social characteristics (#1 Aligned with E/S characteristics)

#2 Other (1.81%)

In which economic sectors were the investments made?

Economic sector	
Internet, software & IT services	22.08
Financial, investment & other diversified comp.	21.61
Food & soft drinks	11.21
Retail trade & department stores	10.16
Pharmaceuticals, cosmetics & med. products	8.82
Healthcare & social services	5.86
Electronics & semiconductors	4.55
Building materials & building industry	4.25
Graphics, publishing & printing media	4.23
Mechanical engineering & industrial equip.	1.86
Insurance companies	1.70
Electrical appliances & components	1.03
Textiles, garments & leather goods	0.79
Vehicles	0.30

0% of the total value of investments (NAV) were in companies involved in sectors that could be connected to fossil fuels, like "Energy & water supply", "Mining, coal & steel" or "Petroleum/Oil and natural gas". It's important to note that even companies categorized under different sectors might still have some involvement with fossil fuel-related activities, even if it's not their main focus.

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

To comply with the EU Taxonimy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

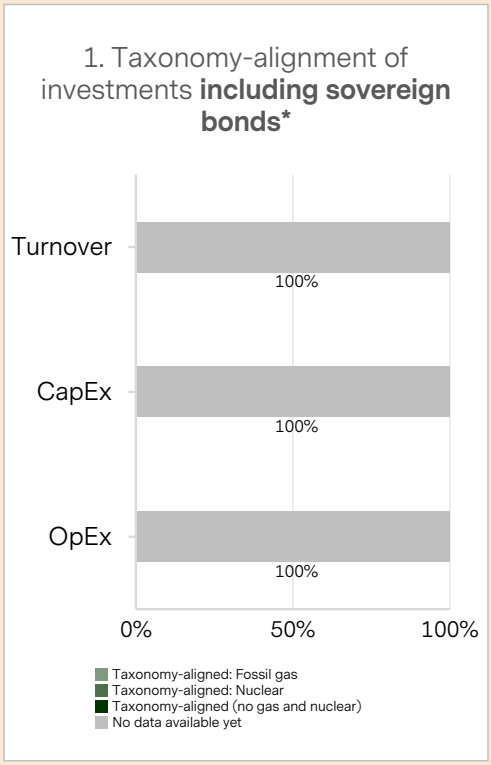
☐ In fossil gas ☐ In nuclear energy

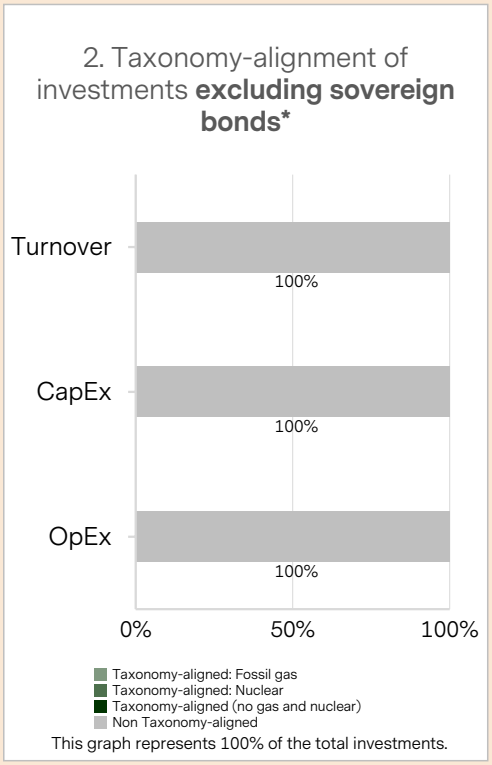
☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Activities	Investment share
transitional	0.00%
enabling	0.00%

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Period	Investment share
year ending on August 31, 2022	0.00%

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

Investment share
0.00%

What was the share of socially sustainable investments?

Investment share
0.00%

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Investments	Purpose	Minimum of environmental or social safeguards
Cash (1.81%)	Liquidity management	No minimum environmental or social safeguards were applied.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements of the investment strategy used for the selection of the investments to attain the environmental and/or social characteristics promoted by this Sub-Fund have been monitored throughout the reporting period.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The financial product has not designated a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: AXA WORLD FUNDS - ACT SOCIAL PROGRESS
Legal entity identifier: 213800Z5DWFODAPKIC63

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective: 6.33%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective: 89.85%**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The Financial Product seeks a sustainable investment objective to advance the United Nations Sustainable Development Goals (SDGs) by investing into companies whose business models and/or operational practices are aligned with targets defined by one or more SDGs and that create financial and societal value by fostering social progress.

In line with this sustainable investment objective, the Financial Product seeks to deliver a positive and measurable impact on society, and more specifically targets the areas of social progress such as

housing and essential infrastructure, financial and technology inclusion, healthcare solutions, well-being and safety, education and entrepreneurship through the support of the United Nations Sustainable Development Goals (SDGs) in their social dimension.

The Financial Product has met its sustainable investment objective for the reference period by investing in companies considering their:

- Social Product & Services Score

The financial product has met its sustainable investment objectives by investing in companies assessed as sustainable through the following dimension:

1. **UN Sustainable Development Goals alignment (SDG)** of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

    a. the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or
    b. using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2. **Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives.

How did the sustainability indicators perform?

During the reference the period, the attainment of the sustainable objective of the Financial Product has been measured with the sustainability indicator mentioned below:

Sustainability KPI Name	Value	Benchmark	Coverage
Social Product & Services score	3.51	0.96	89.7606869189488%

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

… And compared to previous periods?

Not applicable

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The application of the Do No Significant Harm Principle for the sustainable investments the Financial Product made means that the following companies cannot qualify as sustainable if they met any of the criteria listed below:

- The issuer causes harm along any of the SDGs when one of its SDG scores is below – 5 based on a quantitative database from external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significanlty obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer is in AXA IM's sectorial and ESG standards ban lists (as described below), which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer has a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology. The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM dedicated internal governance body.

Indicators for principal adverse impacts on sustainability factors were considered, including through the application of AXA IM's exclusion and stewardship policies.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.

Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.

AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Where relevant, Stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is also an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts.

Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
SDG no significantly negative score	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	
Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested,	

[1] The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

		expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	PAI indicator	Units	Measurement
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards)[2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
SDG no significantly negative score	PAI 13: Board gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

AXA IM relies on an third-party data provider, notably for the PAI indicators included above. The data used is the data available at the time of reporting and can therefore reflect a prior reference period. The data comes either from disclosures made by investee companies or from estimations. It is currently not possible, from a technical standpoint, for AXA IM to distinguish reference periods or the level of estimation of data in this reporting.

[2] The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively.

Please note that these indicators have been published for information purposes only, as SFDR Level 2 requirements entered into force on 01/01/2023, after this report's reference period. The PAI indicators measures given here reflect the Financial Product's assets as of 30/12/2022.

AXA IM may, in particular with the aim of improving data quality, change third party data providers at any time and at its own discretion. This may lead to changes on the data used for the same instruments or investments in future reporting.

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

The Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non-compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



How did this financial product consider principal adverse impacts on sustainability factors?

The Financial Product took into consideration the following Principal Adverse Impact indicators as presented below:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Ecosystem protection & Deforestation policy			
Climate Risk policy			

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

Ecosystem protection & Deforestation policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

AXA IM relies on an third-party data provider, notably for PAI indicators. The data used is the data available at the time of reporting and can therefore reflect a prior reference period. The data comes either from disclosures made by investee companies or from estimations. It is currently not possible, from a technical standpoint, for AXA IM to distinguish reference periods or the level of estimation of data in this reporting.

Please note that these indicators have been published for information purposes only, as SFDR Level 2 requirements entered into force on 01/01/2023, after this report's reference period. The PAI indicators measures given here reflect the Financial Product's assets as of 30/12/2022.

AXA IM may, in particular with the aim of improving data quality, change third party data providers at any time and at its own discretion. This may lead to changes on the data used for the same instruments or investments in future reporting.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

Top investments	Sector	Proportion	Country
ASTRAZENECA PLC XLON GBP	Manufacture of basic pharmaceutical products	3.22%	GB

AIA GROUP LTD XHKG HKD	Life insurance	2.9%	HK
CSL LTD XASX AUD	Research and experimental development on biotechnology	2.68%	AU
STRYKER CORP XNYS USD	Manufacture of medical and dental instruments and supplies	2.66%	US
DEXCOM INC XNGS USD	Manufacture of medical and dental instruments and supplies	2.5%	US
MSA SAFETY INC XNYS USD	Manufacture of tools	2.49%	US
JOHNSON CONTROLS INTERNATION XNYS USD	Manufacture of ovens, furnaces and furnace burners	2.46%	US
UNICHARM CORP XTKS JPY	Manufacture of household and sanitary goods and of toilet requisites	2.42%	JP
INTUITIVE SURGICAL INC XNGS USD	Manufacture of medical and dental instruments and supplies	2.41%	US
NATIONAL VISION HOLDINGS INC XNGS USD	Other retail sale of new goods in specialised stores	2.38%	US
CENTENE CORP XNYS USD	Non-life insurance	2.31%	US
GENTEX CORP XNGS USD	Manufacture of electrical and electronic equipment for motor vehicles	2.28%	US
ETSY INC XNGS USD	Retail sale via mail order houses or via Internet	2.27%	US
INTUIT INC XNGS USD	Other software publishing	2.27%	US
PLANET FITNESS INC - CL A XNYS USD	Fitness facilities	2.26%	US

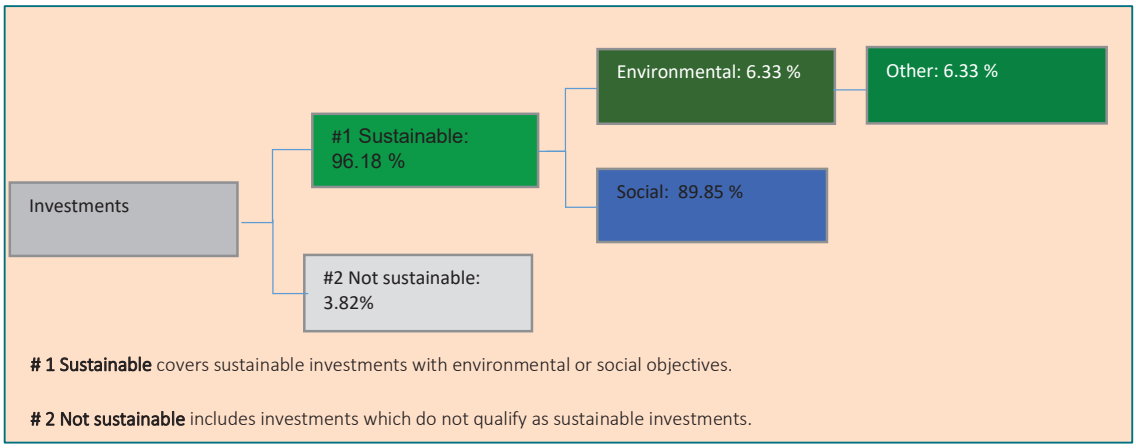
Asset allocation describes the share of investments in specific assets.



What was the proportion of sustainability-related investments?

What was the asset allocation?

The actual asset allocation has been reported based on the assets weighted average at the end of the reference period.



- ***In which economic sectors were the investments made?***

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
Other software publishing	8.41%
Manufacture of medical and dental instruments and supplies	7.58%
Other monetary intermediation	7.2%
Education	6.82%
Research and experimental development on biotechnology	5.77%
Life insurance	4.08%
Manufacture of electrical and electronic equipment for motor vehicles	4%
Other activities auxiliary to financial services, except insurance and pension funding	3.8%
Technical testing and analysis	3.76%
Manufacture of instruments and appliances for measuring, testing and navigation	3.57%

Manufacture of basic pharmaceutical products	3.22%
Construction of utility projects for electricity and telecommunications	2.93%
Renting and operating of own or leased real estate	2.78%
Manufacture of tools	2.49%
Manufacture of ovens, furnaces and furnace burners	2.46%
Manufacture of household and sanitary goods and of toilet requisites	2.42%
Other retail sale of new goods in specialised stores	2.38%
Non-life insurance	2.31%
Retail sale via mail order houses or via Internet	2.27%
Fitness facilities	2.26%
Manufacture of other chemical products n.e.c.	2.23%
Other cleaning activities	2.11%
Manufacture of other special-purpose machinery n.e.c.	2.06%
Manufacture of pharmaceutical preparations	2.04%
Manufacture of other food products n.e.c.	1.88%
Retail sale of medical and orthopaedic goods in specialised stores	1.83%
Construction of residential and non-residential buildings	1.71%
Other human health activities	1.63%
Manufacture of soap and detergents, cleaning and polishing preparations	1.54%
Private security activities	1.47%
Manufacture of electric motors, generators and transformers	0.97%



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

The Financial Product did not take into consideration the criteria of the EU Taxonomy environmental objectives. The Financial Product is not considering the “do not significantly harm” criteria of the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[3]?

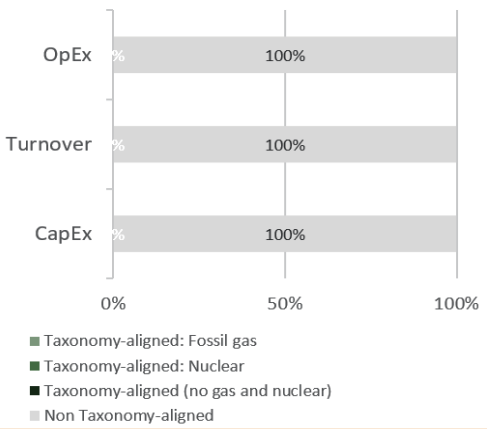
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

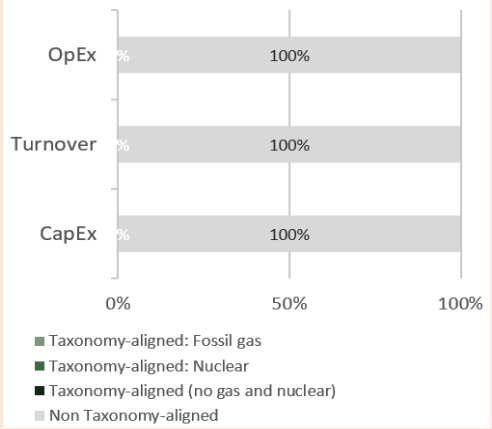
☒ No

The graphs below show in green the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

Not applicable.

[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 6.33 % for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 89.85% of sustainable investments with a social objective.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "not sustainable" represented 3.82 % of the Net Asset Value of the product.

The "not sustainable" assets may have consisted in, as defined in the precontractual annex:

- derivatives used in hedging strategies or used for liquidity management purpose and,
- cash and cash equivalent investments (being bank deposit, eligible money market instruments and money market funds) used for managing the liquidity of the Financial Product

Environmental or social safeguards are applied and assessed on all "Not Sustainable" assets except on (i) non single name derivatives and (ii) on cash and cash equivalent investments described above.

What actions have been taken to attain the sustainable investment objective during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: AXA WORLD FUNDS – ACT GREEN BONDS
Legal entity identifier: 21380049TNZVOFLO2707

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective: 96.37%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective: 1.04%**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The Financial Product seeks a sustainable investment objective to advance the United Nations Sustainable Development Goals (SDGs) by investing into companies whose business models and/or operational practices are aligned with targets defined by one or more SDGs, and/or by applying an impact approach with a focus to financing the transition to a more sustainable and low carbon economy.

The Financial Product has met its sustainable investment objective for the reference period by investing in companies considering their:

- Percentage of Green Bonds

The financial product has met its sustainable investment objectives by investing in companies assessed as sustainable through the following dimension:

1. **UN Sustainable Development Goals alignment (SDG)** of investee companies as reference framework, considering companies which contribute positively to at least one SDG either through the Products and Services they offer or the way they carry their activities ("Operations"). To be considered as a sustainable asset, a company must satisfy the following criteria:

    a. the SDG scoring related to the "products and services" offered by the issuer is equal or above 2, corresponding to at least 20% of their revenues being derived from a sustainable activity, or
    b. using a best in universe approach consisting of giving priority to the issuers best rated from a non-financial viewpoint irrespective of their sector of activity, the SDG scoring of the issuer's operations is on the better top 2.5%, except in consideration to the SDG-5 (gender equality), SDG 8 (decent work), SDG 10 (reduced inequalities), SDG 12 (Responsible Production and Consumption) and SDG 16 (peace & justice), for which the SDG scoring of the issuer's Operation is on the better top 5%. For SDG 5, 8, 10 and 16 the selectivity criteria on issuer's "Operations" is less restrictive as such SDGs are better addressed considering the way the issuer carries their activities than the Products and Services offered by the investee company. It is also less restrictive for SDG 12 which can be addressed through the Products & Services or the way the investee company carries their activities.

The quantitative SDG results are sourced from external data providers and can be overridden by a duly supported qualitative analysis performed by the Investment Manager.

2. **Integration of issuers engaged in a solid Transition Pathway** consistently with the European Commission's ambition to help fund the transition to a 1.5°c world - based on the framework developed by the Science Based Targets Initiative, considering companies which have validated Science-Based targets.

3. **Investments in Green, Social or Sustainability Bonds (GSSB), Sustainability Linked Bonds:**

    a. GSSB are instruments which aim to contribute to various sustainable objectives by nature. As such, investments in bonds issued by corporates and sovereigns that have been identified as green bonds, social bonds or sustainability bonds in Bloomberg data base are considered as "sustainable investments" under AXA IM's SFDR framework.
    b. With regards to Sustainability Linked Bonds, an internal framework was developed to assess the robustness of those bonds that are used to finance general sustainable purpose. As these instruments are newer leading to heterogeneous practices from issuers, only Sustainability LinkedBonds that get a positive or neutral opinion from AXA IM's internal analysis process are considered as "sustainable investments". This analysis framework draws on the International Capital Market Association (ICMA) guidelines with a stringent proprietary approach based on the following defined criteria: (i) issuer's sustainability strategy and key performance indicators relevance and materiality, (ii) Sustainability performance target's ambition, (iii) bond characteristics and (iv) sustainability performance target's monitoring & reporting.

The Financial Product took into consideration the criteria of the EU Taxonomy environmental objectives. It has considered the climate adaptation and the climate mitigation objectives.

How did the sustainability indicators perform?

During the reference the period, the attainment of the sustainable objective of the Financial Product has been measured with the sustainability indicators mentioned below:

Sustainability KPI Name	Value	Benchmark	Coverage
%Green Bonds	96 % of Green Bonds	98 % of Green Bonds	100%

… And compared to previous periods?

Not applicable.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The application of the Do No Significant Harm Principle for the sustainable investments the Financial Product made means that the following companies cannot qualify as sustainable if they met any of the criteria listed below:

- The issuer causes harm along any of the SDGs when one of its SDG scores is below – 5 based on a quantitative database from external provider on a scale ranging from +10 corresponding to 'significantly contributing' to -10 corresponding to 'significanlty obstructing', unless the quantitative score has been qualitatively overridden.
- The issuer is in AXA IM's sectorial and ESG standards ban lists (as described below), which consider among other factors the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- The issuer has a CCC (or 1.43) or lower ESG rating according to AXA IM ESG scoring methodology. The ESG score is based on ESG scoring from external data provider as primary inputs assessing data points across Environment, Social and Governance (ESG) dimensions. AXA IM analysts can complement with a fundamental and documented ESG analysis in case of lack of coverage or disagreement on the ESG rating provided that it is approved by AXA IM dedicated internal governance body.

Indicators for principal adverse impacts on sustainability factors were considered, including through the application of AXA IM's exclusion and stewardship policies.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Financial Product has taken into consideration Principal Adverse Impacts ("PAIs") indicators to ensure that the sustainable investments did not harm significantly any other sustainability objectives under SFDR.

Principal adverse impacts have been mitigated through AXA IM sectorial exclusion policies and AXA IM ESG standards (as described in the SFDR precontractual annex that have been

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

applied bindingly at all times by the Financial Product), as well as through the filters based on UN Sustainable Development Goals scoring.

AXA IM also relies on the SDG pillar of its sustainable investment framework to monitor and take into account adverse impacts on those sustainability factors by excluding investee companies which have a SDG score under – 5 on any SDG (on a scale from + 10 corresponding to 'significant contributing impact ' to – 10 corresponding to 'significant obstructing impact'), unless the quantitative score has been qualitatively overridden following a duly documented analysis by AXA IM Core ESG & Impact Research. This approach enables us to ensure investee companies with the worst adverse impacts on any SDG are not considered as sustainable investments.

Where relevant, Stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through the engagement activities, the Financial Product used its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

Voting at general meetings is also an important element of the dialogue with investee companies in order to foster sustainably long-term value of the companies in which the Financial Product invests and mitigate adverse impacts.

Environment:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2, & 3 starting 01/2023)	Metric tonnes	
Ecosystem Protection & Deforestation policy	PAI 2: Carbon Footprint	Metric tonnes of carbon dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to Companies active in the fossil fuel sector	% of investments	
SDG no significantly negative score	PAI 5 : Share of non-renewable energy consumption and production	% of total energy sources	
Climate risk policy (considering an expected correlation between GHG emissions and energy consumption)[1]	PAI 6: Energy consumption intensity per high impact climate sector	GWh per million EUR of revenue of investee companies, per high impact climate sector	

[1] The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively. Not all high impact climate sectors are targeted by the exclusion policy for the time being.

Ecosystem Protection & Deforestation policy	PAI 7: Activities negatively affecting biodiversity sensitive areas	% of investments	
SDG no significantly negative score	PAI 8: Emissions to water	Tonnes per million EUR invested, expressed as a weighted average	
SDG no significantly negative score	PAI 9: Hazardous waste and radioactive waste ratio	Tonnes per million EUR invested, expressed as a weighted average	

Social and Governance:

Relevant AXA IM policies	**PAI indicator**	**Units**	**Measurement**
ESG standards policy: violation of international norms and standards	PAI 10: Violations of UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
ESG standards policy: violation of international norms and standards (considering an expected correlation between companies non-compliant with international norms and standards and the lack of implementation by companies of processes and compliance mechanisms to monitor compliance with those standards)[2]	PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles & OECD Guidelines for multinational enterprises	% of investments	
SDG no significantly negative score	PAI 12: Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	
SDG no significantly negative score	PAI 13: Board gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

[2] The approach used to mitigate the PAI indicators through this exclusion policy will evolve as the improvement in data availability and quality enables us to use the PAI more effectively.

The Financial Product is also taking into account the environmental optional indicator PAI 6 'Water usage and recycling' and the social optional indicator PAI 15 'Lack of anti-corruption and anti-bribery policies'.

AXA IM relies on an third-party data provider, notably for the PAI indicators included above. The data used is the data available at the time of reporting and can therefore reflect a prior reference period. The data comes either from disclosures made by investee companies or from estimations. It is currently not possible, from a technical standpoint, for AXA IM to distinguish reference periods or the level of estimation of data in this reporting.

Please note that these indicators have been published for information purposes only, as SFDR Level 2 requirements entered into force on 01/01/2023, after this report's reference period. The PAI indicators measures given here reflect the Financial Product's assets as of 30/12/2022.

AXA IM may, in particular with the aim of improving data quality, change third party data providers at any time and at its own discretion. This may lead to changes on the data used for the same instruments or investments in future reporting.

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

The Financial Product did not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner. Those standards focus on Human Rights, Society, Labor and Environment. AXA IM relies on an external provider's screening framework and excludes any companies that have been assessed as "non-compliant" to UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

Please note that, despite our commitment in the precontractual SFDR annex to publish these indicators in our periodic reporting SFDR annex, SFDR Level 2 requirements – such as the integration of PAI indicators in the investment process – only entered into force on 01/01/2023, after this report's reference period. Therefore, PAI indicators will start being disclosed in the periodic reporting SFDR annex relative to the reference period in which SFDR Level 2 requirements entered into application.



How did this financial product consider principal adverse impacts on sustainability factors?

The Financial Product took into consideration the following Principal Adverse Impact indicators as presented below:

Relevant AXA IM policies	PAI indicator	Units	Measurement
Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1, 2 & 3 starting 01/2023)	Metric tonnes	
Ecosystem protection & Deforestation policy			
Climate Risk policy	PAI 2: Carbon Footprint	Metric tonnes of carbon	

Ecosystem protection & Deforestation policy		dioxide equivalents per million euro or dollar invested (tCO2e/M€ or tCO2e/M$)	
Climate Risk policy Ecosystem protection & Deforestation policy	PAI 3: GHG intensity of investee companies	Metric tonnes per eur million revenue	
Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector	% of investments	
Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production	% of total energy sources	
Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area	% of investments	
ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises	% of investments	
Voting and Engagement policy with systematic voting criteria linked with board gender diversity	PAI 13: Board Gender diversity	Expressed as a percentage of all board members	
Controversial weapons policy	PAI 14: Exposure to controversial weapons	% of investments	

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022

AXA IM relies on an third-party data provider, notably for PAI indicators. The data used is the data available at the time of reporting and can therefore reflect a prior reference period. The data comes either from disclosures made by investee companies or from estimations. It is currently not possible, from a technical standpoint, for AXA IM to distinguish reference periods or the level of estimation of data in this reporting.

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AXA IM may, in particular with the aim of improving data quality, change third party data providers at any time and at its own discretion. This may lead to changes on the data used for the same instruments or investments in future reporting.



What were the top investments of this financial product?

The top investments of the Financial Product are detailed below:

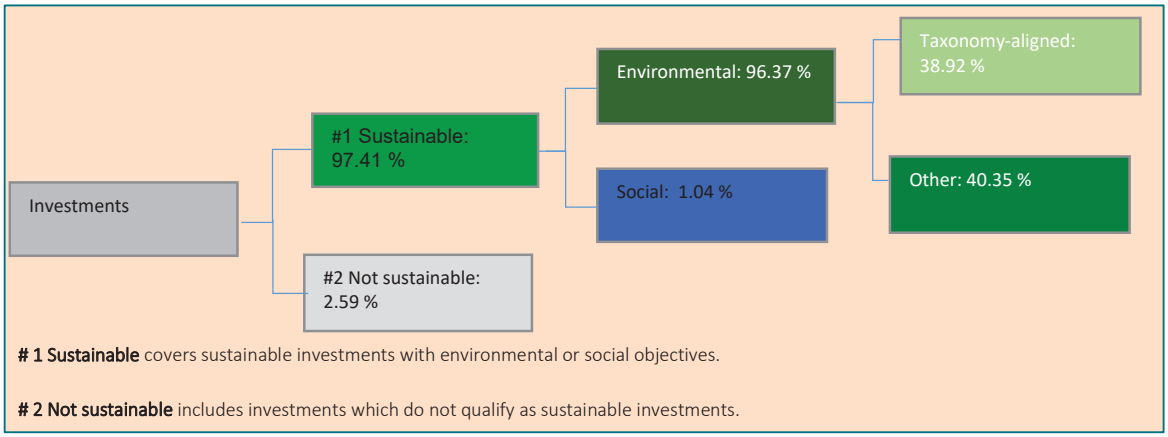
Top investments	Sector	Proportion	Country
DBR 0 - 15/08/2050	General public administration activities	2.4%	DE
FRTR 1.75% - 25/06/2039	General public administration activities	2.06%	FR
DBR 0 - 15/08/2031	General public administration activities	2.02%	DE
NGGLN 1.96% - 27/06/2030 Call	Electricity, gas, steam and air conditioning supply	0.88%	US
EIB 3.3% - 03/02/2028	Activities of extraterritorial organisations and bodies	0.85%	LU
FRTR 0.1% - 25/07/2038 CPI	General public administration activities	0.84%	FR
FERROV 0.375% - 25/03/2028	Passenger rail transport, interurban	0.84%	IT
EDPPL 1.7% Var - 20/07/2080 Call	Electricity, gas, steam and air conditioning supply	0.75%	PT
KFW 0.875% - 15/09/2026	Other monetary intermediation	0.69%	DE
BTPS 1.5% - 30/04/2045	General public administration activities	0.67%	IT
EU 2.75% - 04/02/2033	Activities of extraterritorial organisations and bodies	0.67%	BE
BGB 1.25% - 22/04/2033	General public administration activities	0.64%	BE
ISPIM 4.75% - 06/09/2027	Other monetary intermediation	0.64%	IT
CMPCCI 4.375% - 04/04/2027	Manufacture of paper and paperboard	0.63%	CL
SABSM 5.125% Var - 10/11/2028 Call	Other monetary intermediation	0.63%	ES

What was the proportion of sustainability-related investments?

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What was the asset allocation?

The actual asset allocation has been reported based on the assets weighted average at the end of the reference period.



 # 1 Sustainable covers sustainable investments with environmental or social objectives.

 # 2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

Financial product's investments were made in the economic sectors detailed below:

Top sector	Proportion
Other monetary intermediation	22.84%
General public administration activities	19.39%
Electricity, gas, steam and air conditioning supply	8.2%
Renting and operating of own or leased real estate	8.14%
Activities of extraterritorial organisations and bodies	7.14%
Production of electricity	5.45%
Distribution of electricity	3.38%
Service activities incidental to land transportation	2.62%
Wireless telecommunications activities	2.11%
Manufacture of motor vehicles	2.11%
Transmission of electricity	1.95%
Life insurance	1.8%
Manufacture of soft drinks, production of mineral waters and other bottled waters	1.64%

Asset allocation describes the share of investments in specific assets.

Trusts, funds and similar financial entities	1.47%
Land transport and transport via pipelines	1.35%
Passenger rail transport, interurban	0.99%
Water collection, treatment and supply	0.85%
Non-life insurance	0.72%
Wired telecommunications activities	0.65%
Manufacture of paper and paperboard	0.63%
Fund management activities	0.58%
Manufacture of wearing apparel	0.57%
Distribution of gaseous fuels through mains	0.54%
Hotels and similar accommodation	0.51%
Manufacture of rusks and biscuits, manufacture of preserved pastry goods and cakes	0.49%
Manufacture of ovens, furnaces and furnace burners	0.47%
Collection of non-hazardous waste	0.4%
Financial leasing	0.4%
Manufacture of basic pharmaceutical products	0.36%
Other postal and courier activities	0.33%
Manufacture of other organic basic chemicals	0.3%
Freight rail transport	0.3%
Reinsurance	0.29%
Manufacture of electronic components	0.28%
Urban and suburban passenger land transport	0.26%
Manufacture of chemicals and chemical products	0.18%
Manufacture of medical and dental instruments and supplies	0.17%
Construction of residential and non-residential buildings	0.13%



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

The Financial Product took into consideration the criteria of the EU Taxonomy environmental objectives. It has considered the climate adaptation and the climate mitigation objectives.

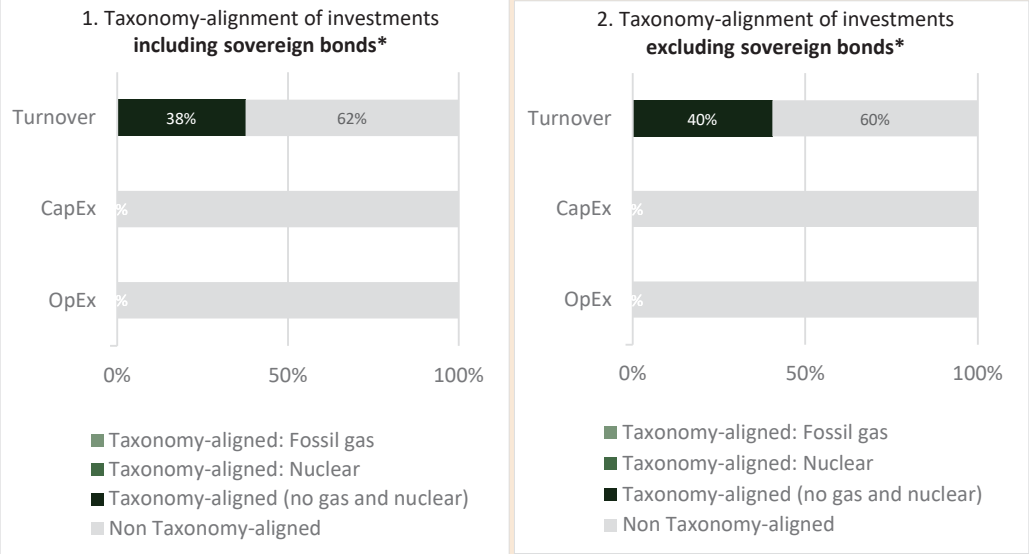
Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[3]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were 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.



This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

Not applicable.

[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of the sustainable investments with an environmental objective not aligned with the EU Taxonomy has been 40.35 % for this Financial Product during the reference period.

Investee companies with an environmental sustainable objective under SFDR are contributing to support UN SDGs or transition to decarbonization based on defined criteria as described above. Those criteria applying to issuers are different from technical screening criteria defined in EU Taxonomy applying to economic activities.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

During the reference period, the Financial Product invested in 1.04 % of sustainable investments with a social objective.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "not sustainable" represented 2.59 % of the Net Asset Value of the product.

The "not sustainable" assets may have consisted in, as defined in the precontractual annex:

- derivatives used in hedging strategies or used for liquidity management purpose and,
- cash and cash equivalent investments (being bank deposit, eligible money market instruments and money market funds) used for managing the liquidity of the Financial Product

Environmental or social safeguards are applied and assessed on all "Not Sustainable" assets except on (i) non single name derivatives and (ii) on cash and cash equivalent investments described above.

What actions have been taken to attain the sustainable investment objective during the reference period?

In 2022, the Financial Product reinforced exclusion policies applied with new exclusions related to unconventional oil and gas, mainly (i) oil sands leading to the exclusion of companies for which oil sands represents more than 5% of global oil sands production, (ii) Shale/ Fracking excluding players that produce less than 100kboepd with more than 30% of their total production derived from fracking, and (ii) Arctic with divestment from companies deriving more than 10% of their production from Artic Monitoring and Assessment Programme (AMAP) region or representing more than 5% of the total global Arctic production. More details on those enrichments are available under the following link: https://www.axa-im.com/our-policies-and-reports

How did this financial product perform compared to the reference sustainable benchmark?

The Financial Product has designated the ICE BofA Green Bond Index as its Benchmark to meet its sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

  The Benchmark is aligned with the sustainable investment objective of the Financial Product, as it tracks the performance of securities issued for qualified “green" purposes which must have a clearly designated use of proceeds solely applied toward projects or activities that promote climate change mitigation or adaptation or other environmental sustainability purposes as outlined by the ICMA Green Bond Principles.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Fund's objective is to invest at least 75% of its net asset in Green bonds. Compared to its benchmark, the fund is less exposed to Green bonds but invest, for the remaining part, in Sustainability and/or social bonds.

- ***How did this financial product perform compared with the reference benchmark?***

	Financial Product	*Benchmark*
Sustainability Indicator Performance	96% of green bonds	98% of green bonds

- ***How did this financial product perform compared with the broad market index?***

	Financial Product	*Broad Market Index - Global non sovereign index*
Sustaiability indicator Performance	96% of green bonds	3% of green bonds

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name : BNP Paribas Funds Aqua

Legal Entity Identifier: 2138005A2I2V32SRUZ61

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

- [x] Yes
- [ ] No

- [x] It made a **sustainable investment with an environmental objective: 70.9%***
  - [x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __ % of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective

- [x] It made **sustainable investments with a social objective: 59.3%***
- [ ] It promoted E/S characteristics but **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

*At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the BNP Paribas Funds Aqua is to help or accelerate the transition into a sustainable world by focusing on challenges related to the global water value chain.

At all times, this sub-fund invests in equities and/or equity equivalent securities issued by companies that conduct a significant part of their business in water and related or connected sectors, with sustainable activities and processes.

Sustainable investments underlying the financial product contribute to two of the environmental objectives set out in Article 9 of Regulation (EU) 2020/852, these are climate change mitigation and climate change adaptation.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

Sustainability indicators measure how the sustainable objetives of this financial product are attained.

How did the sustainability indicators perform?

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio invested in companies with at least a 20% of revenue, profit or invested capital aligned with the financial product's thematics: **100%**
- The percentage of the financial product's portfolio compliant with the BNP Paribas Asset Management Responsible Business Conduct Policy (RBC Policy): **100% of the equity portfolio**
- The percentage of the financial product's assets covered by the ESG analysis based on the proprietary Impax Fundamental Score ESG methodology (excluding ancillary liquid assets): **100% of the equity portfolio**
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation: **89.3%**
- The percentage of the financial product's portfolio aggregate Revenue which is "EU Taxonomy Aligned" as defined by Regulation (EU) 2020/852: **3.4%**

...and compared to previous periods ?

Not applicable for the first periodic report.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

In order to ensure that the sustainable investments that the financial product intends to make do not cause significant harm to any environmental or social sustainable objective, the financial product assesses each investment against a set of indicators of adverse impacts by conducting proprietary Fundamental ESG analysis for all portfolio holdings. The ESG analysis aims to identify the quality of governance structures, the most material environmental and social harms for a company or issuer and assesses how well these harms are addressed and managed. The Investment Manager seeks robust policies, processes, management systems and incentives as well as adequate disclosure, as applicable. Additionally, the Investment Manager assesses any past controversies identified. A proprietary aggregate ESG score is then assigned for each company or issuer taking into account the indicators as set out below, based on a qualitative judgement. Where sufficient ESG quality is not achieved, a company or issuer is excluded from the financial product's investable universe. The Investment Manager considers it important to engage with companies and issuers and to analyse company and issuer disclosures and reports. The ESG process is proprietary to the Investment Manager, although the Investment Manager uses external ESG-research as an input.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset

Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The Indicators for adverse impacts on sustainability factors have been taken into account in the Investment Manager's Fundamental ESG analysis as follows – the data considered, as prescribed by SFDR, by the Investment Manager to assess the relevant indicator is set out in the first paragraph under each indicator below:

Mandatory Indicators

GHG emissions, carbon footprint and GHG intensity of investee companies

Data considered: an investee company's absolute scope 1, 2 and 3 GHG emissions, and its enterprise value and revenue.

Companies are tiered between those providing full disclosure of Scopes 1, 2, 3 emissions across the majority of their operations; reporting across all four pillars prescribed by the Task Force on Climate related Financial Disclosures (TCFD); having set stretching short-medium term target (3+ years), as well as a Net zero/Paris Agreement aligned/Science-based long term target (10-30 years) and detailed actions plans versus those with no emission disclosure in place, no targets and no clear commitment to setting one.

Exposure to companies active in the fossil fuel sector

Data considered: an investee company's exposure to fossil fuel revenues.

The Investment Manager evaluates a company's transition to a low carbon economy by working towards ambitious science-based Paris-aligned decarbonisation targets and by strategically phasing out any fossil fuel exposure.

Share of non-renewable energy consumption and production, and *energy consumption intensity per high impact climate sector*

Data considered: an investee company's total energy consumption and production as well as the consumption and production from non-renewable energy sources, and an investee company's output metric as the basis of energy intensity.

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks prescribed by the International Sustainability Standards Board (ISSB), the Global Reporting Initiative (GRI) and the CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Activities negatively affecting biodiversity-sensitive areas

Data considered an investee company's sites/operations located in or near to biodiversity-sensitive areas.

The Investment Manager uses external tools and research as well as its own proprietary analysis in assessing companies' management of nature-related harms. The Investment Manager seeks investment in companies or issuers that have addressed the harm with robust policies, processes, management systems and incentives that are scaled appropriately to the importance of the harm. Site-level geolocation data and regional exposure are not always easily available or disclosed by companies and issuers. The Investment Manager engages with companies to achieve geo-location data and to assess the potential harm at the specific locations of interest, for example highlighting habitats of IUCN Red List species (the International Union for Conservation of Nature), protected areas and key biodiversity areas in the vicinity.

Emissions to water, and *hazardous waste and radioactive waste ratio*

Data considered: an investee company's generated tonnes of emissions to water, and tonnes of hazardous waste and radioactive waste.

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks such as ISSB, GRI and CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

Data considered: an investee company's involvement in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.

The Investment Manager screens the Sub-Fund's investments against adherence to global standards such as the UN Global Compact principles and OECD Guidelines for Multinational Enterprises. An external research provider is used to support this screening activity. A company found to be in breach of these international norms and standards is excluded from the investable universe and divested. Where a company is flagged for potential breaches, the Investment Manager will monitor and seek to engage, as appropriate.

Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

Data considered: instances where an investee company is lacking policies to monitor compliance with the UNGC Principles or OECD Guidelines.

The Investment Manager uses external tools and research to assertain the existence/non-existence of these policies and identify those companies that do not satisfy credible policy standards in all those areas that speak to UNGC principles or the OECD Guidelines.

Unadjusted gender pay gap

Data considered: an investee company's average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees.

Companies are assessed for their pay equity through review of the pay gap, were available, alongside a broader set of KPIs related to Equality, Diversity & Inclusion (ED&I). Companies are tiered between those demonstrating state of the art management processes and those with no ED&I disclosure.

Board gender diversity

Data considered: an investee company's number of women on the board of directors and percentage of board members that are female.

Companies are assessed for their board gender diversity alongside other key roles which influence company strategy alongside a broader set of metrics related to leadership diversity. Companies are tiered between those achieving 40%-60% women on the board and in executive management as well as demonstrating diversity in key roles and those with no women on the board or in executive management.

Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Data considered: an investee company's exposure to controversial weapons through business activity and ownership.

Companies are screened by business activity in an effort to ensure, using a combination of screen activity and the Investment Manager's qualitative judgement, that they are not involved in the

activity of manufacturing or of manufacturing tailor-made components, using, repairing, putting up for sale, selling, distributing, importing or exporting, storing or transporting controversial or indiscriminate weapons such as anti-personnel mines, submunitions, inert ammunition and armour containing depleted uranium or any other industrial uranium, weapons containing white phosphorus, biological, chemical or nuclear weapons. The Investment Manager seeks to exclude all companies with any involvement in controversial weapons from investment and in addition uses qualitative judgement as part of the analysis. If the Investment Manager determines that one of these activities takes place within a subsidiary, the direct parent company is also considered to be involved in controversial weapons if it holds a majority equity interest in the subsidiary. Likewise, if one of the above-mentioned activities is determined to take place within a parent company, any majority-owned subsidiary of this parent company is also deemed to be involved.

Voluntary Indicators

Investments in companies without carbon emission reduction initiatives

Data considered: instances where an investee company is lacking of all of the following: near-term GHG reduction target, long-term GHG reduction target (10+ years), science-based GHG reduction target, Net Zero commitment.

The Investment Manager actively seeks to engage with companies to encourage the implementation of effective performance management systems, with the objective to establish GHG emissions baseline data (scope 1, 2 and 3), set science-based long-term carbon emission reduction targets with a viable action plan to deliver on these targets, and regularly report.

Water usage and recycling

Data considered: an investee company's operational water use (cubic meters of water consumed), and water management (percentage of water recycled and reused).

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks such as ISSB, GRI and CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws

Data considered: an investee company's number of convictions per severity category in the past three to five years (three years for minor controversies or incidents; five years for more significant controversies or incidents).

The materiality and severity of convictions and fines for violation of anti-corruption and anti-bribery laws are reviewed as part of the Fundamental ESG analysis.

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal

procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate



How did this financial product consider principal adverse impacts on sustainability factors ?

The Sub-Fund considers principal adverse impacts on sustainability factors by identifying, assessing, and managing negative effects of portfolio-related investment decisions on environmental, social and employee matters, respect for human rights, and anti-bribery & corruption matters.

The following illustrates how this exposure is intended to be managed, once identified and assessed, taking into account each of the mandatory and voluntary indicators listed above.

1. All companies and other issuers must meet financial and ESG criteria before entering the Sub-Fund's list of investable companies. When all the data is gathered, an ESG report is written and a proprietary aggregate ESG score assigned. Where sufficient ESG quality is not achieved, a company or issuer is excluded from the investable universe. In cases where a company has a low ESG score, but is not deemed to cause significant harm and is not excluded, the company will have a capped position size in the portfolio, for risk management reasons. The Investment Manager does not seek to exclude a certain number or percentage of companies or issuers, but rather seeks an absolute level of ESG quality based on a qualitative judgement.

2. Bottom-up company-specific engagement: As part of the Investment Manager's ongoing, proprietary company and issuer-level ESG analysis, it identifies company and issuer-specific matters and risks and actively engages with companies and issuers about these matters. For the bottom-up, company specific engagements, the objective is typically to solve or improve the issue that has been identified as part of ESG analysis and when that objective has been achieved, move to the next objective or pause the engagement.

Top-down strategic engagement: Every year the Investment Manager assesses and outlines the engagement priorities for the next 12 months. These priorities are based on market developments and emerging sustainability issues that are considered relevant and material for companies and issuers. The Investment Manager then identifies the companies and issuers which it considers are most exposed to these topics and focuses its engagement on specific companies and issuers. For the strategic engagement areas, the Investment Manager sets up specific steps as objectives that it seeks to reach with the engagements. The strategic engagement areas have analysts assigned as leads for each of the areas of engagement.

3. Where the Investment Manager identifies unmanaged risk, and its usual management approach to engagement fails to produce positive outcomes, its Escalation Policy takes hold.

If the Investment Manager views the investee company or issuer is unresponsive to engagement or unwilling to consider alternative options posing less significant risks to shareholders, the Investment Manager will escalate the dialogue by:

- Seeking alternative or more senior contacts within the company or issuer
- Intervening or engaging together with other shareholders
- Intervening or engaging together with other institutions or organisations (multi-stakeholder)
- Highlighting the issue and/or joint engagements regarding the issue through institutional platforms and/or
- Filing or co-filing resolutions at General Meetings

If interventions are unsuccessful and the Investment Manager considers that the risk profile of the company has significantly deteriorated or company strategy/governance structures have altered because of an incident, to a degree where the return outlook and the company's strategy and quality no longer meet expectations, the company would be excluded from the investable universe and/or sold.

What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **30.12.2022.**

Largest investments	Sector	% Assets*	Country
VEOLIA ENVIRON. SA	Utilities	4.02%	France
AGILENT TECHNOLOGIES INC	Health Care	3.81%	United States
AMERICAN WATER WORKS INC	Utilities	3.78%	United States
LINDE PLC	Materials	3.23%	United Kingdom
IDEX CORP	Industrials	3.02%	United States
A O SMITH CORP	Industrials	2.99%	United States
ESSENTIAL UTILITIES INC	Utilities	2.91%	United States
GEORG FISCHER AG	Industrials	2.91%	Switzerland
PENTAIR PLC	Industrials	2.90%	United Kingdom
SEVERN TRENT PLC	Utilities	2.71%	United Kingdom
TRIMBLE INC	Information Technology	2.56%	United States
UNITED UTILITIES GROUP PLC	Utilities	2.53%	United Kingdom
FERGUSON PLC	Industrials	2.39%	United Kingdom
TORO	Industrials	2.32%	United States
ALFA LAVAL	Industrials	2.32%	Sweden

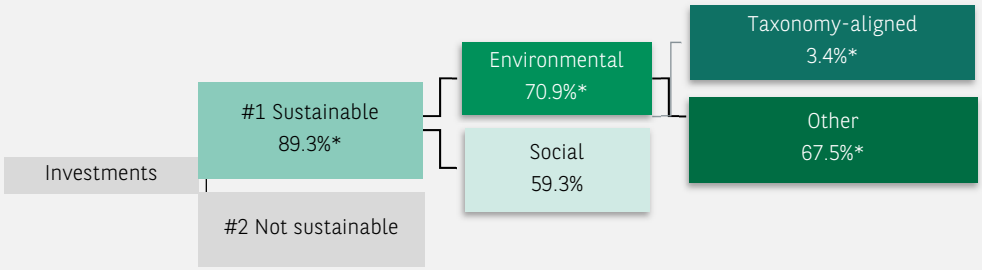
Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
*Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

The proportion of the investments used to meet the sustainable investment objective in accordance with the binding elements of its investment strategy is 89.3%.

Asset allocation describes the share of investments in specific assets



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

The sub-category **#2 Not sustainable** 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 data shown are calculated as of 03/01/2023. At that time, some assets in the portfolio were subject to a fundamental analysis by the management company in order to confirm their qualification as a "sustainable investment" in the sense of SFDR.

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Industrials	51.04%
Utilities	20.09%
Materials	12.20%
Health Care	5.44%
Information Technology	5.10%
Consumer Discretionary	3.71%
Cash	2.42%
Forex contracts	0.01%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the 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 and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management

rules.

- *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee

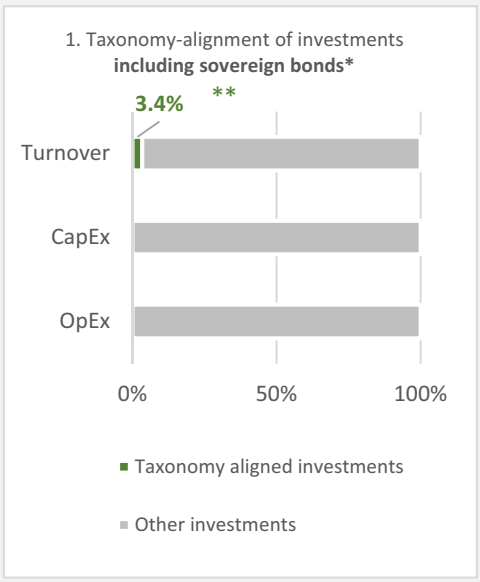
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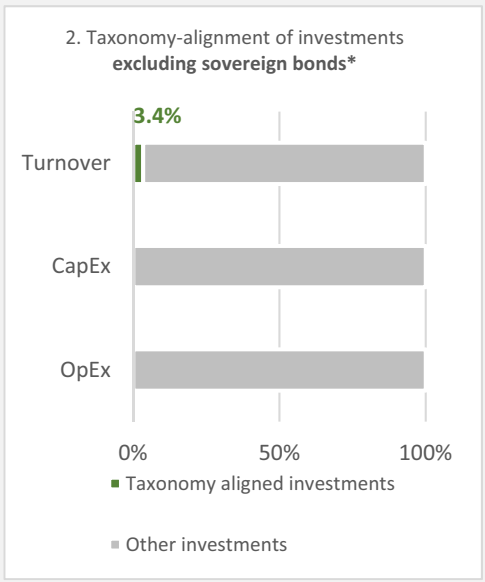
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

** *Real taxonomy aligned*

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **67.5%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent **59.3%** of the financial product.

What investments were included under 'not sustainable', what was their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments is made in instruments used for liquidity and/or hedging purposes, such as cash, deposits and derivatives.

The investment manager will ensure that those investments are made while maintaining the sustainable investment objective of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

What actions have been taken to attain the sustainable investment objective during the reference period ?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment; More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

- The financial product shall invest in companies with at least a 20% of revenue, profit or invested capital aligned with the financial product's thematics;

- The financial product shall have at least 90% of its assets (excluding ancillary assets) covered by the ESG analysis based on the proprietary Impax Fundamental Score ESG methodology;

- The financial product shall invest at least 85% of its portfolio in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as "sustainable investment" and the quantitative and qualitative thresholds are indicated in the main part of the Prospectus.

- The financial product's shall invest at least 2% of its assets in companies "EU Taxonomy Aligned".

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference sustainable benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- *How does the reference benchmark differ from a broad market index?*

Not applicable.

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable objective?*

Not applicable.

- *How did this financial product perform compared with the reference benchmark?*

Not applicable.

- *How did this financial product perform compared with the broad market index?*

Not applicable.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name : BNP Paribas Funds SMaRT Food

Legal Entity Identifier: 213800YTNPCDGU4KGD79

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

- [x] Yes
- [ ] No

- [x] It made a **sustainable investment with an environmental objective: 57.5%***
  - [x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] It made **sustainable investments with a social objective: 56.0%***
- [ ] It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __ % of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics but **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

*At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the BNP Paribas SMaRT Food is to help or accelerate the transition into a sustainable world by focusing on challenges related to the food value chain and nutrition.

At all times, this sub-fund invests in equities and/or equity equivalent securities issued by companies that conduct a significant proportion of their business in the food supply chain and related or connected sectors with sustainable activities and processes.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

Sustainability indicators measure how the sustainable objetives of this financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio invested in companies with at least a 20% of revenue, profit or invested capital aligned with the financial product's thematics: **100%**
- The percentage of the financial product's portfolio compliant with the BNP Paribas Asset Management Responsible Business Conduct Policy (RBC Policy): **100% of the equity portfolio**
- The percentage of the financial product's assets covered by the ESG analysis based on the proprietary Impax Fundamental Score ESG methodology (excluding ancillary liquid assets): **100% of the equity portfolio**
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation: **96.1%**

...and compared to previous periods ?

Not applicable for the first periodic report.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

In order to ensure that the sustainable investments that the financial product intends to make do not cause significant harm to any environmental or social sustainable objective, the financial product assesses each investment against a set of indicators of adverse impacts by conducting proprietary Fundamental ESG analysis for all portfolio holdings. The ESG analysis aims to identify the quality of governance structures, the most material environmental and social harms for a company or issuer and assesses how well these harms are addressed and managed. The Investment Manager seeks robust policies, processes, management systems and incentives as well as adequate disclosure, as applicable. Additionally, the Investment Manager assesses any past controversies identified. A proprietary aggregate ESG score is then assigned for each company or issuer taking into account the indicators as set out below, based on a qualitative judgement. Where sufficient ESG quality is not achieved, a company or issuer is excluded from the financial product's investable universe. The Investment Manager considers it important to engage with companies and issuers and to analyse company and issuer disclosures and reports. The ESG process is proprietary to the Investment Manager, although the Investment Manager uses external ESG-research as an input.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The Indicators for adverse impacts on sustainability factors have been taken into account in the Investment Manager's Fundamental ESG analysis as follows – the data considered, as prescribed by SFDR, by the Investment Manager to assess the relevant indicator is set out in the first paragraph under each indicator below:

Mandatory Indicators

GHG emissions, carbon footprint and GHG intensity of investee companies

Data considered: an investee company's absolute scope 1, 2 and 3 GHG emissions, and its enterprise value and revenue.

Companies are tiered between those providing full disclosure of Scopes 1, 2, 3 emissions across the majority of their operations; reporting across all four pillars prescribed by the Task Force on Climate related Financial Disclosures (TCFD); having set stretching short-medium term target (3+ years), as well as a Net zero/Paris Agreement aligned/Science-based long term target (10-30 years) and detailed actions plans versus those with no emission disclosure in place, no targets and no clear commitment to setting one.

Exposure to companies active in the fossil fuel sector

Data considered: an investee company's exposure to fossil fuel revenues.

The Investment Manager evaluates a company's transition to a low carbon economy by working towards ambitious science-based Paris-aligned decarbonisation targets and by strategically phasing out any fossil fuel exposure.

Share of non-renewable energy consumption and production, and *energy consumption intensity per high impact climate sector*

Data considered: an investee company's total energy consumption and production as well as the consumption and production from non-renewable energy sources, and an investee company's output metric as the basis of energy intensity.

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks prescribed by the International Sustainability Standards Board (ISSB), the Global Reporting Initiative (GRI) and the CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Activities negatively affecting biodiversity-sensitive areas

Data considered an investee company's sites/operations located in or near to biodiversity-sensitive areas.

The Investment Manager uses external tools and research as well as its own proprietary analysis in assessing companies' management of nature-related harms. The Investment Manager seeks investment in companies or issuers that have addressed the harm with robust policies, processes, management systems and incentives that are scaled appropriately to the importance of the harm. Site-level geolocation data and regional exposure are not always easily available or disclosed by companies and issuers. The Investment Manager engages with companies to achieve geo-location data and to assess the potential harm at the specific locations of interest, for example highlighting habitats of IUCN Red List species (the International Union for Conservation of Nature), protected areas and key biodiversity areas in the vicinity.

Emissions to water, and *hazardous waste and radioactive waste ratio*

Data considered: an investee company's generated tonnes of emissions to water, and tonnes of hazardous waste and radioactive waste.

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks such as ISSB, GRI and CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

Data considered: an investee company's involvement in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.

The Investment Manager screens the Sub-Fund's investments against adherence to global standards such as the UN Global Compact principles and OECD Guidelines for Multinational Enterprises. An external research provider is used to support this screening activity. A company found to be in breach of these international norms and standards is excluded from the investable universe and divested. Where a company is flagged for potential breaches, the Investment Manager will monitor and seek to engage, as appropriate.

Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises

Data considered: instances where an investee company is lacking policies to monitor compliance with the UNGC Principles or OECD Guidelines.

The Investment Manager uses external tools and research to assertain the existence/non-existence of these policies and identify those companies that do not satisfy credible policy standards in all those areas that speak to UNGC principles or the OECD Guidelines.

Unadjusted gender pay gap

Data considered: an investee company's average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees.

Companies are assessed for their pay equity through review of the pay gap, were available, alongside a broader set of KPIs related to Equality, Diversity & Inclusion (ED&I). Companies are tiered between those demonstrating state of the art management processes and those with no ED&I disclosure.

Board gender diversity

Data considered: an investee company's number of women on the board of directors and percentage of board members that are female.

Companies are assessed for their board gender diversity alongside other key roles which influence company strategy alongside a broader set of metrics related to leadership diversity. Companies are tiered between those achieving 40%-60% women on the board and in executive management as well as demonstrating diversity in key roles and those with no women on the board or in executive management.

Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Data considered: an investee company's exposure to controversial weapons through business activity and ownership.

Companies are screened by business activity in an effort to ensure, using a combination of screen activity and the Investment Manager's qualitative judgement, that they are not involved in the activity of manufacturing or of manufacturing tailor-made components, using, repairing, putting up for sale, selling, distributing, importing or exporting, storing or transporting controversial or indiscriminate weapons such as anti-personnel mines, submunitions, inert ammunition and

armour containing depleted uranium or any other industrial uranium, weapons containing white phosphorus, biological, chemical or nuclear weapons. The Investment Manager seeks to exclude all companies with any involvement in controversial weapons from investment and in addition uses qualitative judgement as part of the analysis. If the Investment Manager determines that one of these activities takes place within a subsidiary, the direct parent company is also considered to be involved in controversial weapons if it holds a majority equity interest in the subsidiary. Likewise, if one of the above-mentioned activities is determined to take place within a parent company, any majority-owned subsidiary of this parent company is also deemed to be involved.

Voluntary Indicators

Investments in companies without carbon emission reduction initiatives

Data considered: instances where an investee company is lacking of all of the following: near-term GHG reduction target, long-term GHG reduction target (10+ years), science-based GHG reduction target, Net Zero commitment.

The Investment Manager actively seeks to engage with companies to encourage the implementation of effective performance management systems, with the objective to establish GHG emissions baseline data (scope 1, 2 and 3), set science-based long-term carbon emission reduction targets with a viable action plan to deliver on these targets, and regularly report.

Water usage and recycling

Data considered: an investee company's operational water use (cubic meters of water consumed), and water management (percentage of water recycled and reused).

Companies are tiered between those providing state of the art management processes and reporting for all environmental key issues through certified management systems referencing international or industry standards, challenging long term and interim targets relevant to key issues, relevant KPIs and reporting aligned with internationally recognised frameworks such as ISSB, GRI and CDP, versus companies with limited management processes and reporting, for example providing only qualitative KPIs and anecdotal disclosures.

Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws

Data considered: an investee company's number of convictions per severity category in the past three to five years (three years for minor controversies or incidents; five years for more significant controversies or incidents).

The materiality and severity of convictions and fines for violation of anti-corruption and anti-bribery laws are reviewed as part of the Fundamental ESG analysis.

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

How did this financial product consider principal adverse impacts on sustainability factors ?

The Sub-Fund considers principal adverse impacts on sustainability factors by identifying, assessing, and managing negative effects of portfolio-related investment decisions on environmental, social and employee matters, respect for human rights, and anti-bribery & corruption matters.

The following illustrates how this exposure is intended to be managed, once identified and assessed, taking into account each of the mandatory and voluntary indicators listed above.

1. All companies and other issuers must meet financial and ESG criteria before entering the Sub-Fund's list of investable companies. When all the data is gathered, an ESG report is written and a proprietary aggregate ESG score assigned. Where sufficient ESG quality is not achieved, a company or issuer is excluded from the investable universe. In cases where a company has a low ESG score, but is not deemed to cause significant harm and is not excluded, the company will have a capped position size in the portfolio, for risk management reasons. The Investment Manager does not seek to exclude a certain number or percentage of companies or issuers, but rather seeks an absolute level of ESG quality based on a qualitative judgement.

2. Bottom-up company-specific engagement: As part of the Investment Manager's ongoing, proprietary company and issuer-level ESG analysis, it identifies company and issuer-specific matters and risks and actively engages with companies and issuers about these matters. For the bottom-up, company specific engagements, the objective is typically to solve or improve the issue that has been identified as part of ESG analysis and when that objective has been achieved, move to the next objective or pause the engagement.

Top-down strategic engagement: Every year the Investment Manager assesses and outlines the engagement priorities for the next 12 months. These priorities are based on market developments and emerging sustainability issues that are considered relevant and material for companies and issuers. The Investment Manager then identifies the companies and issuers which it considers are most exposed to these topics and focuses its engagement on specific companies and issuers. For the strategic engagement areas, the Investment Manager sets up specific steps as objectives that it seeks to reach with the engagements. The strategic engagement areas have analysts assigned as leads for each of the areas of engagement.

3. Where the Investment Manager identifies unmanaged risk, and its usual management approach to engagement fails to produce positive outcomes, its Escalation Policy takes hold.

If the Investment Manager views the investee company or issuer is unresponsive to engagement or unwilling to consider alternative options posing less significant risks to shareholders, the Investment Manager will escalate the dialogue by:

- Seeking alternative or more senior contacts within the company or issuer
- Intervening or engaging together with other shareholders
- Intervening or engaging together with other institutions or organisations (multi-stakeholder)
- Highlighting the issue and/or joint engagements regarding the issue through institutional platforms and/or
- Filing or co-filing resolutions at General Meetings

If interventions are unsuccessful and the Investment Manager considers that the risk profile of the company has significantly deteriorated or company strategy/governance structures have altered because of an incident, to a degree where the return outlook and the company's strategy and quality no longer meet expectations, the company would be excluded from the investable universe and/or sold.

What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **30.12.2022.**

Largest investments	Sector	% Assets*	Country
KERRY GROUP PLC	Consumer Staples	3.40%	Republic of Ireland
GRAPHIC PACKAGING HOLDING	Materials	3.25%	United States
CNH INDUSTRIAL NV	Industrials	3.18%	Mexico
AGCO CORP	Industrials	3.15%	United States
DARLING INGREDIENTS INC	Consumer Staples	3.14%	United States
BRAMBLES LTD	Industrials	3.05%	Australia
GEA GROUP AG	Industrials	3.05%	Germany
COMPASS GROUP PLC	Consumer Discretionary	2.79%	United Kingdom
SONOCO PRODUCTS	Materials	2.72%	United States
SGS SA N	Industrials	2.61%	Switzerland
KONINKILIJKE DSM NV	Materials	2.57%	Netherlands
STARBUCKS CORP	Consumer Discretionary	2.55%	United States
MCCORMICK & CO NON-VOTING INC	Consumer Staples	2.52%	United States
INTERNATIONAL FLAVORS & FRAGRANCES INC	Materials	2.49%	United States
DOLE PLC	Consumer Staples	2.39%	Republic of Ireland

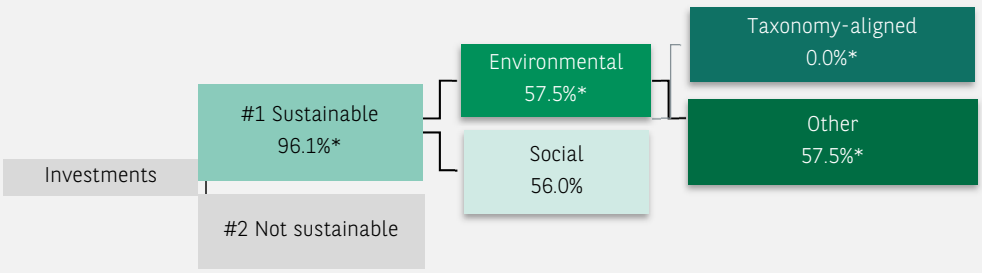
Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
*Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

The proportion of the investments used to meet the sustainable investment objective in accordance with the binding elements of its investment strategy is 96.1%.

Asset allocation describes the share of investments in specific assets



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

The sub-category **#2 Not sustainable** 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 data shown are calculated as of 03/01/2023. At that time, some assets in the portfolio were subject to a fundamental analysis by the management company in order to confirm their qualification as a "sustainable investment" in the sense of SFDR.

- *In which economic sectors were the investments made ?*

Sectors	% Asset
Consumer Staples	34.16%
Materials	27.77%
Industrials	21.69%
Consumer Discretionary	6.98%
Cash	3.03%
Information Technology	2.22%
Health Care	2.13%
Real Estate	1.73%
Financials	0.45%
Forex contracts	-0.16%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and that contribute to the 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 and/or the protection and restoration of biodiversity and ecosystems are disclosed in the two graphs below.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management

rules.

- *Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?*

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of: :

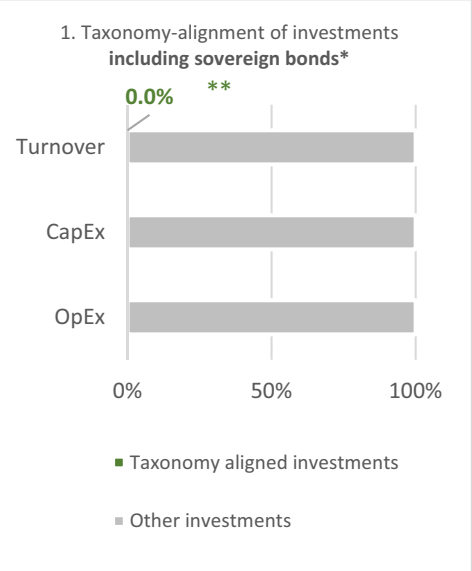
- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

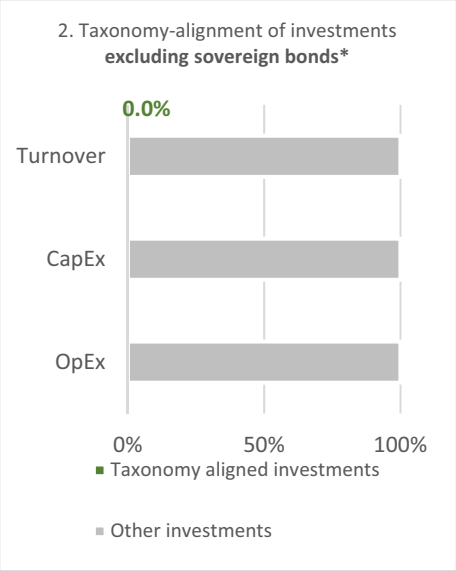
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The graphs below show in green the percentage of investments that were 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.*





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

** *Real taxonomy aligned*

- *What was the share of investments made in transitional and enabling activities?*

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Not applicable for the first periodic report.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **57.5%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Socially sustainable investments represent **56.0%** of the financial product.

What investments were included under 'not sustainable', what was their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments is made in instruments used for liquidity and/or hedging purposes, such as cash, deposits and derivatives.

The investment manager will ensure that those investments are made while maintaining the sustainable investment objective of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

What actions have been taken to attain the sustainable investment objective during the reference period ?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment; More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

- The financial product shall invest in companies with at least a 20% of revenue, profit or invested capital aligned with the financial product's thematics;

- The financial product shall have at least 90% of its assets (excluding ancillary assets) covered by the ESG analysis based on the proprietary Impax Fundamental Score ESG methodology;

- The financial product shall invest at least 85% of its portfolio in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation. Criteria to qualify an investment as "sustainable investment" and the quantitative and qualitative thresholds are indicated in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference sustainable benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- *How does the reference benchmark differ from a broad market index?*

Not applicable.

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable objective?*

Not applicable.

- *How did this financial product perform compared with the reference benchmark?*

Not applicable.

- *How did this financial product perform compared with the broad market index?*

Not applicable.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name : BNP Paribas Funds Social Bond **Legal Entity Identifier:** 213800P7I4VOJL4IZP76

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

- [x] Yes
- [ ] No

- [x] It made a **sustainable investment with an environmental objective:** 27.8%*
  - [x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [x] It made **sustainable investments with a social objective:** 91.2%*
- [ ] It promoted **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __ % of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [ ] with a social objective
- [ ] It promoted E/S characteristics but **did not make any sustainable investments**

All actual data within this periodic report are calculated on the closing date of the accounting year.

**At the date of preparation of this periodic information document, the management company does not have all the necessary data to determine the alignment of investments with the taxonomy, excluding sovereign bonds. The percentage of alignment of investments with the taxonomy, including sovereign bonds being by construction a real minimum proportion is taken up accordingly.*

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the BNP Paribas Social Bond fund is to allocate capital to new and existing projects with positive social outcomes or a combination of both social and environmental benefits by investing in:

1) Social bonds issued by corporate, supranational, sovereign agencies, local entities and/or governments to finance socially sound and sustainable projects that achieve greater social benefits.

   The eligible social project categories include, but are not limited to, providing and/or promoting:

   - Affordable basic infrastructure (e.g. clean drinking water, sewers, sanitation, transport, energy);

- Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services);
- Affordable housing;
- Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises;
- Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste; and improved productivity of small-scale producers).

2) Sustainability bonds issued by corporate, supranational sovereign agencies, local entities and/or governments to finance a combination of both green and social projects.

   Examples of the eligible social project categories are mentioned above. The eligible green project categories include, but are not limited to:

   - Renewable energy (including production, transmission, appliances and products);
   - Energy efficiency (such as in new and refurbished buildings, energy storage, district heating, smart grids, appliances and products);
   - Clean transportation (such as electric, hybrid, public, rail, non-motorized, multi-modal transportation, infrastructure for clean energy vehicles and reduction of harmful emissions);
   - Climate change adaptation (including efforts to make infrastructure more resilient to impacts of climate change, as well as information support systems, such as climate observation and early warning systems);
   - Green buildings that meet regional, national or internationally recognized standards or certifications for environmental performance.

The selected social and sustainability bonds should comply with the principles formulated by the International Capital Market Association and receive a "POSITIVE" or "NEUTRAL" investment recommendation from the Sustainability Center following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

The sustainable investment objective of the financial product is social and therefore outside the scope of the environmental objectives defined by the EU Taxonomy.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the financial product.

The environmental objectives as well as the social objectives to which the sustainable investments of the financial product have contributed are indicated in the question "What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives? "

How did the sustainability indicators perform?

Sustainability indicators measure how the sustainable objetives of this financial product are attained.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the financial product:

- The percentage of the financial product's portfolio compliant with the BNP Paribas Asset Management Responsible Business Conduct Policy (RBC Policy) : **100% of the equity portfolio**
- The percentage of the financial product's assets covered by the ESG analysis based on the proprietary ESG methodology (excluding ancillary liquid assets): **100% of the equity portfolio**

- The percentage of the financial product's portfolio invested in social and sustainability bonds compliant with the principles formulated by the International Capital Market Association and having a "POSITIVE" or "NEUTRAL" investment recommendation from the Sustainability Center: **100%**
- The percentage of the financial product's portfolio invested in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation: **93.9%**

...and compared to previous periods ?

Not applicable for the first periodic report.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the investment manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights

How were the indicators for adverse impacts on sustainability factors taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the sustainable investment pillars defined in the BNP Paribas Asset Management Global Sustainability Strategy (GSS) into its investment process : RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision – the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

The financial product considers and addresses or mitigates the following principal adverse sustainability impacts indicators:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity

14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Corporate voluntary indicators:
Environment
4. Investments in companies without carbon emission reduction initiatives
Social
4. Lack of a supplier code of conduct
9. Lack of a human rights policy

Sovereign mandatory indicator:
15. GHG intensity
16. Investee countries subject to social violations

More detailed information on the manner in which principal adverse impacts on sustainability factors are considered can be found in the BNP PARIBAS ASSET MANAGEMENT SFDR disclosure statement: https://docfinder.bnpparibas-am.com/api/files/874ADAE2-3EE7-4AD4-B0ED-84FC06E090BF

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. This assessment is conducted within the BNPP AM Sustainability Centre on the basis of internal analysis and information provided by external experts, and in consultation with BNP Paribas Group CSR Team. If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from the portfolio according to an internal procedure. If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate



How did this financial product consider principal adverse impacts on sustainability factors ?

The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined in the GSS into its investment process. These pillars are covered by firm-wide policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions are guided by the RBC Policy, ESG Integration Guidelines, and Engagement and Voting Policy which include the following provisions :

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment

- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts

- In case of equity holdings, voting at Annual General Meetings of companies the portfolio is invested in to promote good governance and advance environmental and social issues - Ensuring all securities included in the portfolio have supportive ESG research

- Managing portfolios so that their aggregate ESG score is better than the relevant benchmark or universe

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse sustainability impacts:

Corporate mandatory indicators:
1. GreenHouse Gas (GHG) Emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector

7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
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Corporate voluntary indicators:
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What were the top investments of this financial product?

The list includes investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30.12.2022

Largest investments	Sector	% Assets*	Country
BNPP MOIS ISR X C	Cash	7.19%	France
UNEDIC 0.10 PCT 25-NOV-2026	Financials	4.03%	France
EUROPEAN UNION 0.00 PCT 04-NOV-2025	Government	4.01%	Belgium
INSTITUTO DE CREDITO OFICIAL 2.65 PCT 31-JAN-2028	Government	2.90%	Spain
EUROPEAN UNION 0.00 PCT 04-MAR-2026	Government	2.88%	Belgium
CAISSE FRANCAISE DE FINANCEMENT LOCAL 0.50 PCT 19-FEB-2027	Government	2.87%	France
CAISSE AMORTISSEMENT DE LA DETTE SOCIALE 0.00 PCT 25-FEB-2026	Government	2.42%	France
NEDERLANDSE WATERSCHAPSBANK NV 0.00 PCT 14-APR-2023	Government	2.38%	Netherlands
CASSA DEPOSITI E PRESTITI SPA 1.00 PCT 21-SEP-2028	Government	2.20%	Italy
LA POSTE SA 2.63 PCT 14-SEP-2028	Industrials	1.98%	France
COUNCIL OF EUROPE DEVELOPMENT BANK 0.00 PCT 15-APR-2028	Government	1.74%	France
BPCE SA 0.63 PCT 26-SEP-2023	Financials	1.72%	France
CREDIT AGRICOLE SA 0.13 PCT 09-DEC-2027	Financials	1.60%	France
LA BANQUE POSTALE 0.75 PCT 23-JUN-2031	Financials	1.55%	France
KOREA HOUSING FINANCE CORP 0.01 PCT 05-FEB-2025	Financials	1.52%	Republic of Korea

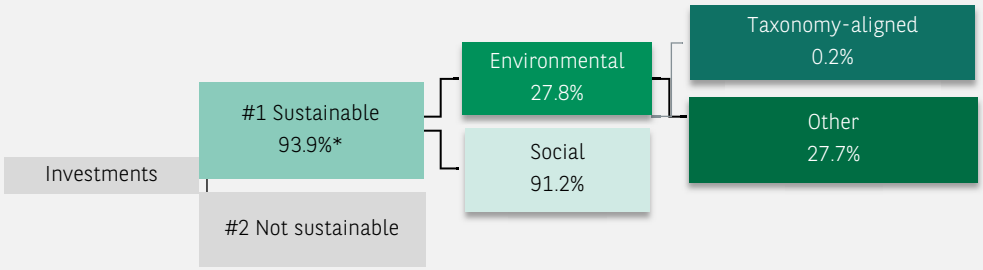
Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.
* Any percentage differences with the financial statement portfolios result from a rounding difference.

What was the proportion of sustainability-related investments?

What was the asset allocation ?

Asset allocation describes the share of investments in specific assets

The proportion of the investments used to meet the sustainable investment objective in accordance with the binding elements of its investment strategy is **93.9 %**.



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

The sub-category **#2 Not sustainable** 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 data shown are calculated as of 03/01/2023. At that time, some assets in the portfolio were subject to a fundamental analysis by the management company in order to confirm their qualification as a "sustainable investment" in the sense of SFDR.

In which economic sectors were the investments made ?

Sectors	% Asset
Government	43.00%
Financials	32.87%
Cash	9.11%
Real estate	4.95%
Industrials	4.85%
Communications	3.16%
Health care	0.72%
Consumer discretionary	0.68%
Other	0.34%
Forex contracts	0.32%

Source of data: BNP Paribas Asset Management, as at 30.12.2022
The largest investments are based on official accounting data and are based on the transaction date.

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

The two graphs below illustrate the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy and contribute to the environmental objectives of climate change mitigation and adaptation.

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Further updates of the prospectus and the alignment of commitments with the EU Taxonomy may be made accordingly.

Economic activities that are not recognised by the EU taxonomy are not necessarily harmful to the environment or unsustainable. Moreover, not all activities that can make a substantial contribution to environmental and social objectives are yet integrated into the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management

Did the financial product invest in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy [1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

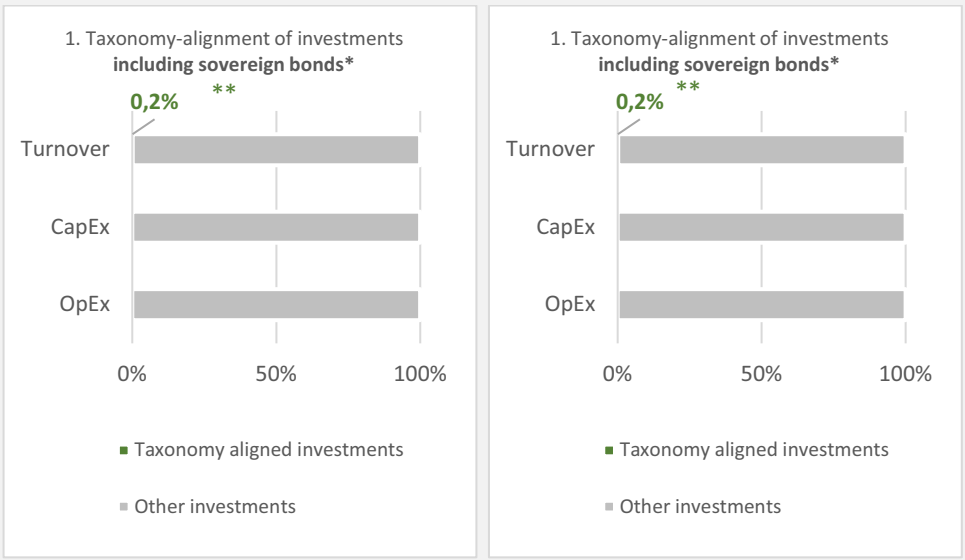
☒ No:

At the date of closure of the accounting year and preparation of the annual report, the data are not available and the management company does not have the information relating to the previous year.

Taxonomy-aligned activities are expressed as a share of: :

- **turnover** reflecting the"greenness" of investee compagines.
- **capital expenditure** (CapEx) showing the green investments made by investee companies relevant for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*



* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

** *Real taxonomy aligned*

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?

Not applicable for the first periodic report.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **27.7%.**

The management company is improving its systems for collecting data in line with the EU Taxonomy to ensure the accuracy and adequacy of published sustainability information under the European Taxonomy Regulation. Meanwhile, the financial product will invest in sustainable investments whose environmental objective is not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Socially sustainable investments represent **91.2%** of the financial product.



What investments were included under 'not sustainable', what was their purpose and were there any minimum environmental or social safeguards?

The remaining proportion of the investments is made in instruments used for liquidity and/or hedging purposes, such as cash, deposits and derivatives.

The investment manager will ensure that those investments are made while maintaining the sustainable investment objective of the financial product. In addition, those investments are made in compliance with our internal processes, including the following minimum environmental or social safeguards:

- the risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks. And

- the RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

What actions have been taken to attain the sustainable investment objective during the reference period ?

- The financial product shall comply with the RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment; More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: Sustainability documents - BNPP AM Corporate English (bnpparibas-am.com).

- The financial product shall have at least 90% of its assets (excluding ancillary assets) covered by the ESG analysis based on the proprietary ESG methodology;

- The financial product shall invest in social and sustainability bonds compliant with the principles formulated by the International Capital Market Association and having a "POSITIVE" or "NEUTRAL" investment recommendation from the Sustainability Center;

- The financial product shall invest at least 80% of its assets in "sustainable investments" as defined in Article 2 (17) of the SFDR regulation . Criteria to qualify an investment as "sustainable investment" are indicated in the above question "What are the objectives of the sustainable investments that the financial product partially intends to make and does the sustainable investments contribute to such objectives" and the quantitative and qualitative thresholds are mentioned in the main part of the Prospectus.

In addition, the management company has implemented a voting and engagement policy. Several examples of commitments are detailed in the vote and commitment section of the Sustainability Report. These documents are available at the following link: https://www.bnpparibas-am.com/en/documentation-sustainability/

How did this financial product perform compared to the reference sustainable benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- *How does the reference benchmark differ from a broad market index?*

Not applicable.

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable objective?*

Not applicable.

- *How did this financial product perform compared with the reference benchmark?*

Not applicable.

- *How did this financial product perform compared with the broad market index?*

Not applicable.

Candriam Equities L Oncology Impact

Entity LEI: 5493008RMIWWW5WNUT02

Obiettivo di investimento sostenibile

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☒ **SÌ**	☐ **NO**
☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 0%	☐ Ha **promosso aspetti ambientali/sociali (E/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del ___% di investimenti sostenibili
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☒ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☐ con un obiettivo sociale
☒ ha effettuato **investimenti sostenibili con un obiettivo sociale:** 93.55%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura è stato soddisfatto l'obiettivo di sostenibilità degli investimenti per questo prodotto finanziario?

Il raggiungimento degli obiettivi sostenibili è stato misurato tramite i seguenti indicatori di sostenibilità:

- Spese di ricerca e sviluppo: spese di ricerca e sviluppo superiori al benchmark in proporzione alla capitalizzazione di mercato dell'azienda.
- Livello di istruzione dei team di gestione: percentuale di dirigenti senior in possesso di un dottorato superiore al benchmark.

Inoltre, sono stati monitorati i seguenti criteri:

- garantire che non vi siano investimenti in emittenti che violino gli Orientamenti dell'OCSE per le società multinazionali o il Global Compact delle Nazioni Unite.
- garantire che non vi siano investimenti in società che figurano nell'elenco delle esclusioni SRI di Candriam, a seguito dell'applicazione della Politica di esclusioni di Candriam.
- Numero di società controllanti sostenute dal voto di Candriam.

Gli **indicatori di sostenibilità** rilevano la misura in cui sono stati soddisfatti gli obiettivi di

Cosa hanno rilevato gli indicatori di sostenibilità?

Il Comparto è stato gestito nel rispetto dei suoi indicatori di sostenibilità come definito di seguito.

sostenibilità di questo prodotto finanziario.

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende filtri di esclusione basati sulla conformità alle norme internazionali e sul coinvolgimento in attività controverse.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (75% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Il benchmark di riferimento non è stato designato allo scopo di realizzare l'obiettivo di investimento sostenibile del Comparto.

Il benchmark di riferimento del Comparto non ha i requisiti richiesti per essere un Indice di riferimento dell'UE relativo alla transizione climatica o un Indice di riferimento allineato all'accordo UE di Parigi ai sensi del Titolo III, Capo 3a, del regolamento (UE) 2016/1011.

In ogni caso, dato il coinvolgimento di Candriam nell'iniziativa Net Zero Asset Management, il Comparto mira a ridurre le emissioni di gas serra in linea con gli obiettivi dell'Accordo di Parigi

Nome dell'indicatore KPI	Valore	Indice di riferimento
PhD in Mgmt - Corporate - Higher than bench	23.73%	3.94%
R&D Expense - Corporate - Higher than bench	3.11%	1.19%

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili non hanno arrecato danno significativo ad alcun obiettivo di investimento sostenibile?

Candriam ha garantito che i suoi investimenti sostenibili non causassero un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani. In base alle sue valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce chiari requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non arrecano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi,sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti del Comparto sono stati assoggettati a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Global Compact delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente e ripetutamente violato uno qualsiasi di questi principi.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno e processo di voto: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo e il processo di voto. Candriam ha attribuito la priorità alle sue attività di coinvolgimento e voto in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Scope 1-2) o elevate emissioni di Scope 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione
- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Processo di voto:

l'approccio di Candriam alla Governance aziendale si fonda sulle norme riconosciute a livello internazionale, in particolare sui principi stabiliti dall'OCSE e sulla International Corporate Governance Network (ICGN).

A tal riguardo, Candriam ha esercitato i sue diritti di voto quando disponibili per le posizioni del portafoglio. I diritti degli Azionisti, la parità di trattamento per gli azionisti, la responsabilità del consiglio di amministrazione, la trasparenza e l'integrità dei bilanci sono pilasti fondamentali della nostra politica di voto. La maggior parte dei nostri voti relativi al management si concentra sulla remunerazione e l'elezione degli amministratori. Infatti, richiediamo alle società di rispettare il principio di retribuzione della prestazione e manifesteremo il nostro disaccordo non appena riscontreremo un livello di remunerazione eccessivo o condizioni di attribuzione non sufficientemente trasparenti o stringenti. In modo analogo, pretendiamo dalle società il rispetto con i nostri requisiti minimi di indipendenza: in caso di consigli di amministrazione che non rispettino questo requisito, ci opponiamo all'elezione, o rielezione, di qualsiasi amministratore non indipendente, ad eccezione del CEO. Naturalmente, per la votazione sono anche presi in considerazione la diversità (PAI13) ed il livello di competenza del consiglio.

Inoltre, Candriam considera sempre la pertinenza, la coerenza e la fattibilità delle misure promosse da qualsiasi decisione in ambito ESG prima di esprimere il voto.

Nel miglior interesse dei suoi clienti, Candriam considera, nelle sue decisioni di voto, l'opinione ESG interna sulle società oggetto dell'investimento insieme agli eventuali risultati dell'impegno intrapreso con tale società.

Nel contesto della politica di voto di Candriam, sono applicate linee guida specifiche per una serie di decisioni degli azionisti e del management relative ad ambiente (per esempio il clima (da PAI1 a PAI6), biodiversità (PAI7)), sociale (per esempio, la diversità, il divario retributivo tra i sessi (PAI12), diritti umani (PAI10, PAI11)) e governance. Più specificamente, Candriam accoglie con favore l'introduzione di risoluzioni "Say-on-Climate" sponsorizzate dal management. Candriam ha costruito un modello dettagliato da applicare a ogni risoluzione Say-on-Climate, che valuta il rigore e l'allineamento della strategia di transizione della società con un percorso verso le emissioni zero nel 2050. Ne consegue, che molte di queste non hanno ottenuto il nostro supporto nel corso di questo periodo.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d’investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
1- GHG Emissions - Scope 1 GHG Emissions	3184.87
1- GHG Emissions - Scope 2 GHG Emissions	2608.30
1- GHG Emissions - Total GHG Emissions	5793.17
2 - Carbon Footprint	3.57
3 - GHG intensity of investee companies	27.23
4 - Exposure to companies active in fossil fuel sector	0.00%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	31.47%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

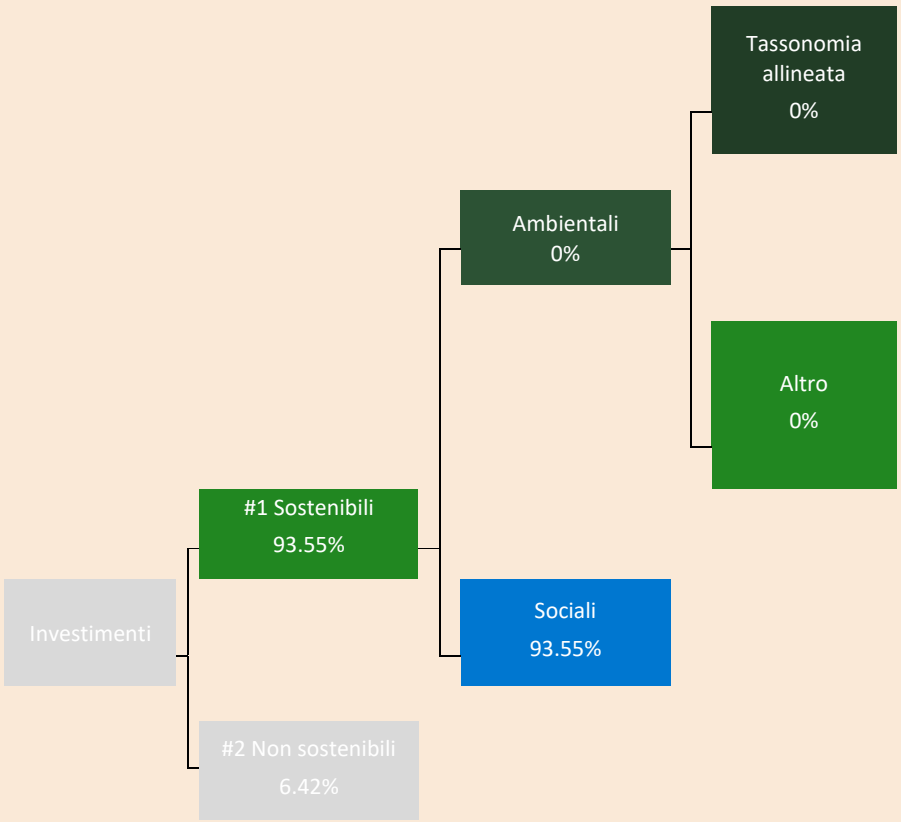
Principali investimenti	Settore	Proporzione	Paese
ASTRAZENECA PLC	Pharmaceuticals	8.26%	GB
MERCK & CO INC	Pharmaceuticals	8.03%	US
ROCHE HOLDING LTD	Pharmaceuticals	7.05%	CH
REGENERON PHARMACEUTICALS INC	Biotechnology	6.38%	US
THERMO FISHER SCIENT SHS	Electronics and semiconductors	4.59%	US
DANAHER CORP	Machine and apparatus construction	4.19%	US
AMGEN INC	Pharmaceuticals	4.03%	US
MERCK KGAA	Pharmaceuticals	3.93%	DE
SIEMENS HEALTHINEERS	Pharmaceuticals	3.88%	DE
DAIICHI SANKYO CO LTD	Banks and other financial institutions	3.56%	JP
ELI LILLY & CO	Pharmaceuticals	3.55%	US
HOLOGIC INC	Pharmaceuticals	3.54%	US
GENMAB AS	Biotechnology	2.85%	DK
SEAGEN INC	Biotechnology	2.44%	US
IQVIA HOLDINGS INC	Pharmaceuticals	2.27%	US

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.

Qual è stata l'allocazione delle attività?



#1 Sostenibile comprende gli investimenti sostenibili con obiettivi ambientali o sociali

#2 Non sostenibile comprende gli investimenti che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Pharmaceuticals	51.08%
Biotechnology	25.44%
Electronics and semiconductors	4.98%
Banks and other financial institutions	4.38%
Machine and apparatus construction	4.19%
Chemicals	1.08%
Miscellaneous services	1.00%
Photographic and optics	0.94%
Healthcare	0.49%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

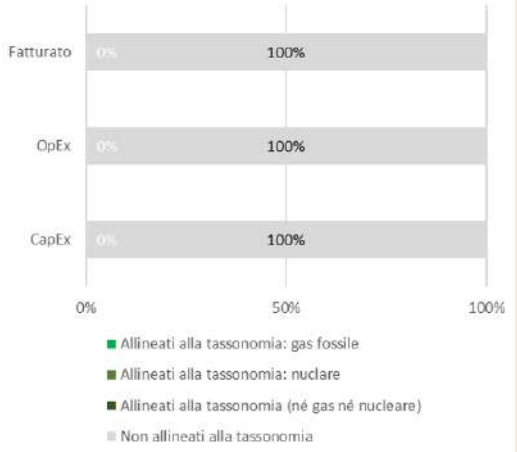
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

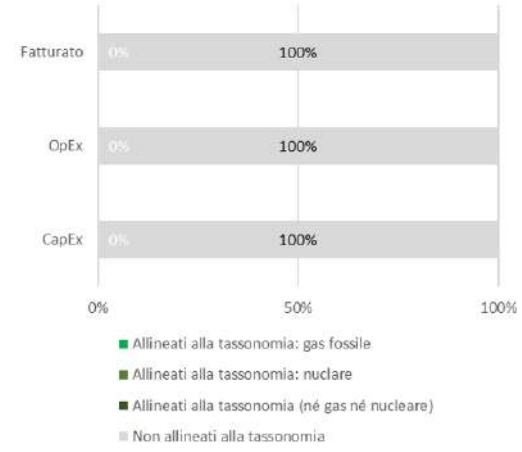
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Le attività allineate alla Tassonomia sono espresse come quota di:

- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green società oggetto dell'investimento.

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri** per le attività economiche ecosostenibili previste dalla Tassonomia UE.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

. Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti sostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?

Il Comparto ha registrato una quota del 0% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

ll Comparto ha registrato una quota del 93,55% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “#2 Non sostenibili”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Non sostenibili" sono presenti nel Comparto nella misura del 6,42% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalle decisioni di esposizione al mercato del Comparto.
- Investimenti su emittenti considerati sostenibili al momento dell'investimento e non più completamente allineati ai criteri di investimento sostenibile di Candriam. Questi investimenti sono pianificati per essere venduti.
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare l’obiettivo di investimento sostenibile durante il periodo di riferimento?

Al fine di rispettare l’obiettivo di investimento sostenibile durante il periodo di riferimento, abbiamo venduto i seguenti investimenti per i quali gli emittenti hanno contribuito al raggiungimento dell’obiettivo di investimento sostenibile del comparto. Le vendite hanno riguardato Johnson & Johnson. L’azienda ha una valutazione di 6 nell'ambito Bet-In-Universe di Candriam ed è pertanto esclusa dall’universo di investimenti accettabili. Poiché un’analisi approfondita del team ESG non ha individuato ragioni per un eventuale aggiornamento, abbiamo venduto la posizione.

Per realizzare il suo obiettivo sostenibile, il comparto sta tentando di superare il benchmark per due indicatori sociali, allo scopo di valutare le risorse umane e finanziarie mobilitate dalle società nella lotta ai tumori. 1/ Spesa nella ricerca e sviluppo come quota della capitalizzazione di mercato della società. 2/ Livello di istruzione dei team di gestione, misurato come percentuale dei dirigenti senior. Il fondo ha registrato una performance superiore al benchmark per entrambi gli indicatori sociali. La spesa per la ricerca e lo sviluppo come quota della capitalizzazione di mercato della società è risultata complessivamente del 3,1% per il fondo e più dell’1,2% per il benchmark. Il livello di istruzione dei team di gestione, misurato come percentuale di dirigenti senior che hanno conseguito un dottorato, è stato complessivamente del 23,73% per il fondo e di 3,94% per il benchmark.

Inoltre, il comparto si propone di realizzare un punteggio ESG superiore al benchmark, sulla base della metodologia ESG proprietaria di Candriam. Alla fine del 2022, il punteggio complessivo ESG del comparto era di 58 a fronte del punteggio di 51 dell’indice di riferimento del periodo.

Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di sostenibilità di riferimento?

I **benchmark di riferimento** sono indici per la misurazione della capacità del prodotto finanziario di realizzare l'obiettivo sostenibile.

Non è stato scelto nessun indice specifico come indice di riferimento sostenibile per gli obiettivi di investimento sostenibile.

Candriam Sustainable Equity Circular Economy

Entity LEI: 5493004W7TLD9YFIID47

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Obiettivo di investimento sostenibile

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☒ **SÌ**	☐ **NO**
☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 61.56%	☐ Ha **promosso aspetti ambientali/sociali (E/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del ___% di investimenti sostenibili
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☒ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☐ con un obiettivo sociale
☒ ha effettuato **investimenti sostenibili con un obiettivo sociale:** 31.28%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura è stato soddisfatto l'obiettivo di sostenibilità degli investimenti per questo prodotto finanziario?

Il conseguimento degli obiettivi di investimento sostenibile è stato misurato tramite i seguenti indicatori di sostenibilità:

- un allineamento del portafoglio complessivo con uno scenario di temperatura uguale o inferiore a 2,5 gradi. Poiché la disponibilità e l'affidabilità dei dati sul clima di una società evolvono nel tempo, il Comparto mira ad essere allineato a uno scenario di temperatura pari o inferiore a 2 gradi entro il 1° gennaio 2025.
- un investimento in un quantitativo superiore di totale attivo in gestione presso società "high-stake" rispetto all'indice di riferimento del Comparto. Le società high-stake sono definite dal regolamento dell'EU Climate Benchmark come quelle appartenenti a uno dei settori ritenuti più importanti per il raggiungimento degli obiettivi dell'Accordo di Parigi.

Sono inoltre stati monitorati i seguenti indici:

- Orientamenti dell'OCSE per le società multinazionali, Global Compact delle Nazioni Unite: per garantire che non vi siano investimenti in società che violino tali principi.
- Politica delle esclusioni di Candriam: garantire che non vi siano investimenti in società che figurano nell'elenco delle esclusioni SRI di Candriam a seguito dell'applicazione della Politica di esclusioni di Candriam.
- Numero di società controllanti sostenute da Candriam.

Gli **indicatori di sostenibilità** rilevano la misura in cui sono stati soddisfatti gli obiettivi

Cosa hanno rilevato gli indicatori di sostenibilità?

Il Comparto è stato gestito nel rispetto dei suoi indicatori di sostenibilità come definito di seguito.

di sostenibilità di questo prodotto finanziario.

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende filtri di esclusione basati sulla conformità alle norme internazionali e sul coinvolgimento in attività controverse.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (75% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Il benchmark di riferimento non è stato designato allo scopo di realizzare l'obiettivo di investimento sostenibile del Comparto.

Il benchmark di riferimento del Comparto non ha i requisiti richiesti per essere un Indice di riferimento dell'UE relativo alla transizione climatica o un Indice di riferimento allineato all'accordo UE di Parigi ai sensi del Titolo III, Capo 3a, del regolamento (UE) 2016/1011.

Come parte dell'impegno di Candriam nell'iniziativa NZAI, il Comparto mirava ad investire in aziende che promuovano una strategia di allineamento con gli obiettivi dell'Accordo di Parigi. A livello di Comparto, questo allineamento è quantificato mediante la misurazione della temperatura.

Nome dell'indicatore KPI	Valore	Indice di riferimento
Portfolio Temperature - Corporate - Lower than 2.5°C - Lower than 2°C in 2025	2.49	
Exposure to High Stakes sectors - Corporate - Higher than bench	80.90%	62.39%

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili non hanno arrecato danno significativo ad alcun obiettivo di investimento sostenibile?

Candriam ha garantito che i suoi investimenti sostenibili non causassero un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani. In base alle sue valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce chiari requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non arrecano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi, sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti del Comparto sono stati assoggettati a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Global Compact delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente e ripetutamente violato uno qualsiasi di questi principi.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno e processo di voto: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo e il processo di voto. Candriam ha attribuito la priorità alle sue attività di coinvolgimento e voto in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Ambito 1-2) o elevate emissioni di Ambito 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione
- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Processo di voto:

l'approccio di Candriam alla Governance aziendale si fonda sulle norme riconosciute a livello internazionale, in particolare sui principi stabiliti dall'OCSE e sulla International Corporate Governance Network (ICGN).

A tal riguardo, Candriam ha esercitato i sue diritti di voto quando disponibili per le posizioni del portafoglio. I diritti degli Azionisti, la parità di trattamento per gli azionisti, la responsabilità del consiglio di amministrazione, la trasparenza e l'integrità dei bilanci sono pilasti fondamentali della nostra politica di voto. La maggior parte dei nostri voti relativi al management si concentra sulla remunerazione e l'elezione degli amministratori. Infatti, richiediamo alle società di rispettare il principio di retribuzione della prestazione e manifesteremo il nostro disaccordo non appena riscontreremo un livello di remunerazione eccessivo o condizioni di attribuzione non sufficientemente trasparenti o stringenti. In modo analogo, pretendiamo dalle società il rispetto con i nostri requisiti minimi di indipendenza: in caso di consigli di amministrazione che non rispettino questo requisito, ci opponiamo all'elezione, o rielezione, di qualsiasi amministratore non indipendente, ad eccezione del CEO. Naturalmente, per la votazione sono anche presi in considerazione la diversità (PAI13) ed il livello di competenza del consiglio.

Inoltre, Candriam considera sempre la pertinenza, la coerenza e la fattibilità delle misure promosse da qualsiasi decisione in ambito ESG prima di esprimere il voto.

Nel miglior interesse dei suoi clienti, Candriam considera, nelle sue decisioni di voto, l'opinione ESG interna sulle società oggetto dell'investimento insieme agli eventuali risultati dell'impegno intrapreso con tale società.

Nel contesto della politica di voto di Candriam, sono applicate linee guida specifiche per una serie di decisioni degli azionisti e del management relative ad ambiente (per esempio il clima (da PAI1 a PAI6), biodiversità (PAI7)), sociale (per esempio, la diversità, il divario retributivo tra i sessi (PAI12), diritti umani (PAI10, PAI11)) e governance. Più specificamente, Candriam accoglie con favore l'introduzione di risoluzioni "Say-on-Climate" sponsorizzate dal management. Candriam ha costruito un modello dettagliato da applicare a ogni risoluzione Say-on-Climate, che valuta il rigore e l'allineamento della strategia di transizione della società con un percorso verso le emissioni zero nel 2050. Ne consegue, che molte di queste non hanno ottenuto il nostro supporto nel corso di questo periodo.

- Esclusione: selezione negativa di Candriam delle società o dei paesi volta a evitare investimenti in attività o pratiche pericolose che può condurre a esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il raggiungimento dell'obiettivo d’investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
1- GHG Emissions - Scope 1 GHG Emissions	19215.92
1- GHG Emissions - Scope 2 GHG Emissions	7465.30
1- GHG Emissions - Total GHG Emissions	26681.22
2 - Carbon Footprint	74.43
3 - GHG intensity of investee companies	201.19
4 - Exposure to companies active in fossil fuel sector	2.22%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	36.87%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

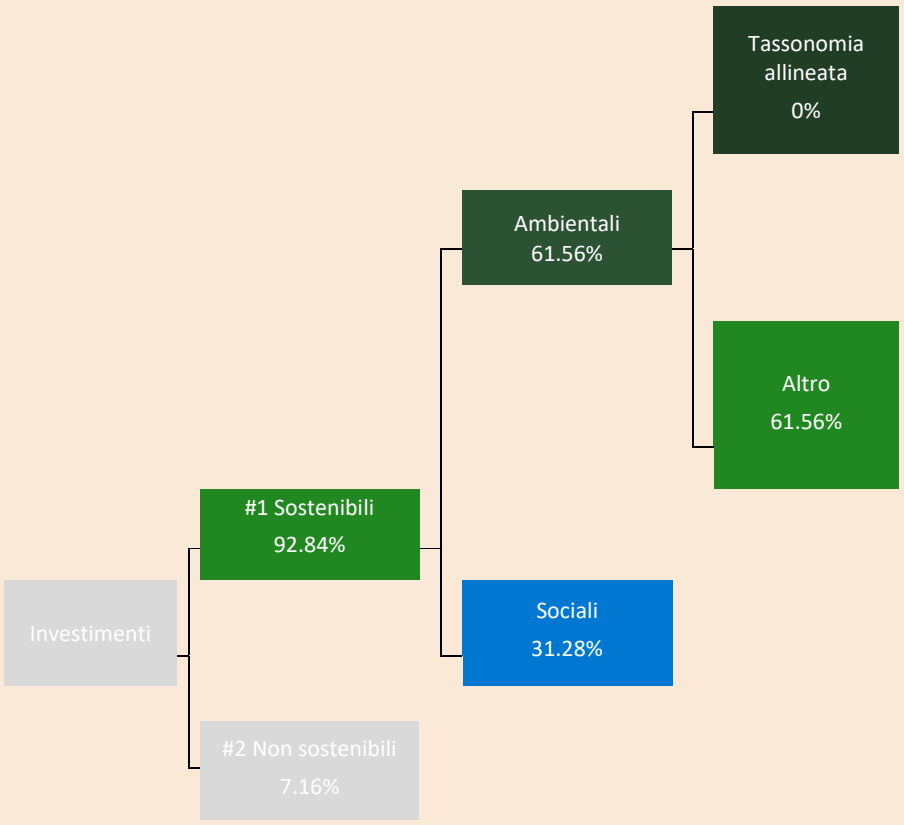
Principali investimenti	Settore	Proporzione	Paese
WASTE MANAGEMENT	Environmental services and recycling	4.01%	US
AMERICAN WATER WORKS CO INC	Utilities	3.57%	US
GRAPHIC PACKAGING	Banks and other financial institutions	3.49%	US
NESTLE SA REG SHS	Foods and non alcoholic drinks	3.47%	US
DARLING INGREDIENT INC	Utilities	3.16%	US
PROCTER & GAMBLE CO	Miscellaneous consumer goods	3.08%	US
CROWN HOLDINGS INC	Banks and other financial institutions	2.61%	US
UNILEVER	Foods and non alcoholic drinks	2.58%	GB
ECOLAB INC	Chemicals	2.56%	US
CISCO SYSTEMS INC	Office supplies and computing	2.47%	US
ESTEE LAUDER COMPANIES INC -A-	Pharmaceuticals	2.45%	US
PTC INC	Internet and internet services	2.40%	US
LKQ CORP	Road vehicles	2.32%	US
ZEBRA TECHNOLOGIES -A-	Electronics and semiconductors	2.25%	US
IBERDROLA SA	Utilities	2.11%	ES

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.

Qual è stata l'allocazione delle attività?



#1 Sostenibile comprende gli investimenti sostenibili con obiettivi ambientali o sociali

#2 Non sostenibile comprende gli investimenti che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Utilities	10.78%
Environmental services and recycling	10.77%
Banks and other financial institutions	9.75%
Internet and internet services	7.65%
Chemicals	6.40%
Foods and non alcoholic drinks	6.05%
Electronics and semiconductors	5.87%
Pharmaceuticals	4.59%
Miscellaneous consumer goods	3.82%
Retail trade and department stores	3.51%
Machine and apparatus construction	3.24%
Building materials	3.09%
Packaging industries	2.48%
Office supplies and computing	2.47%
Road vehicles	2.32%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

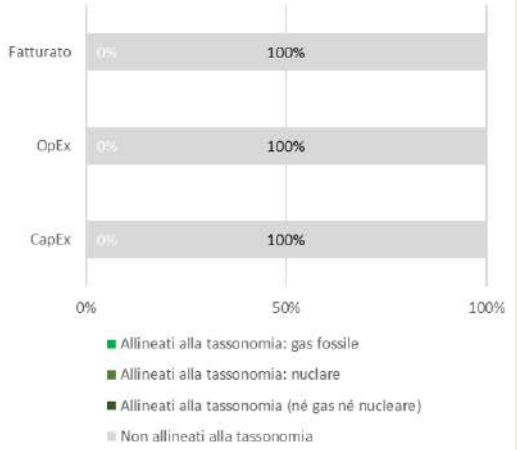
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

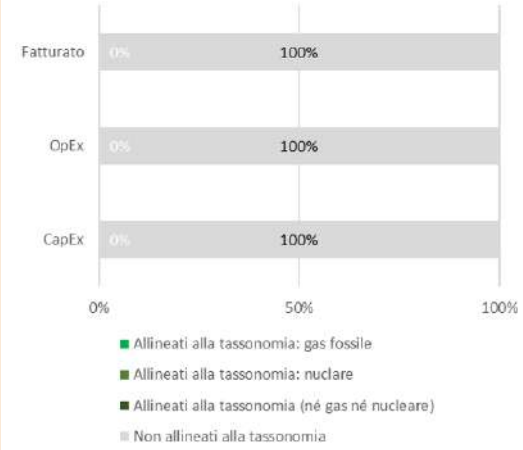
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Le attività allineate alla Tassonomia sono espresse come quota di:

- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green società oggetto dell'investimento.

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri** per le attività economiche ecosostenibili previste dalla Tassonomia UE.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti sostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?

Il Comparto ha registrato una quota del 61,56% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

ll Comparto ha registrato una quota del 31,28% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “#2 Non sostenibili”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Non sostenibili" sono presenti nel Comparto nella misura del 7,16% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalle decisioni di esposizione al mercato del Comparto.
- Investimenti su emittenti considerati sostenibili al momento dell'investimento e non più completamente allineati ai criteri di investimento sostenibile di Candriam. Questi investimenti sono pianificati per essere venduti.
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare l’obiettivo di investimento sostenibile durante il periodo di riferimento?

Per rispettare l’obiettivo di investimento sostenibile durante il periodo di riferimento, il comparto ha avviato nuove posizioni e venduto posizioni esistenti allo scopo di rafforzare l'allineamento con il suo obiettivo di investimento sostenibile. L’obiettivo di investimento sostenibile primario del comparto è quello di contribuire alla transizione ad un’economia circolare. In linea con questo obiettivo, il comparto mira a costituire un portafoglio con una temperatura media ponderata inferiore a 2,5°C.

Un esempio di nuova posizione è quella avviata con West Fraser durante il periodo di riferimento. La società è un produttore di prodotti di legno con sede nel Nord America, che ricava il legno da foreste sostenibili che vengono ripiantate e pertanto costituiscono una fonte circolare di materia prima per l’industria edilizia. Il punteggio di allineamento di West Fraser agli obiettivi associati al clima è anch’esso volto verso un’economia a basso tenore di carbonio, come calcolato da Carbon4Finance, secondo quanto configurato dall’obbiettivo del comparto relativo alla temperatura.

Durante il periodo di riferimento, il comparto ha disinvestito dalle società che non avevano strategie conformi ai suoi standard di sostenibilità. Per esempio, gli investimenti nella società Flat Glass, un produttore di vetro cinese che produceva pannelli solari, sono stati venduti a seguito dell'assenza di impegni ambientali da parte della società. Anche se i pannelli solari sono una delle principali soluzioni per imbrigliare energia sostenibile, la fabbricazione del vetro in se stessa può generare un danno ambientale significativo, un aspetto riguardo al quale Flat Glass, nonostante i numerosi tentativi degli analisti di Candriam di contattare la società, ha fornito scarsa trasparenza.

Il comparto mira ad una percentuale superiore di società ad alto valore. Alla fine dell’anno, il fondo aveva investito l’81% in società ad alto valore, a fronte del 62% dell’indice di riferimento.

Il comparto ambisce a conseguire un punteggio ESG, basato sulla metodologia ESG proprietaria di Candriam, superiore al benchmark. Alla fine dell'anno 2022, l'ESG complessivo del comparto era 55 ovvero il 5% oltre al punteggio ESG del benchmark corrente.



Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di sostenibilità di riferimento?

I **benchmark di riferimento** sono indici per la misurazione della capacità del prodotto finanziario di realizzare l'obiettivo sostenibile.

Non è stato scelto nessun indice specifico come indice di riferimento sostenibile per gli obiettivi di investimento sostenibile.

Candriam Sustainable Equity Emerging Markets

Entity LEI: 5493009KH5NGJDOU5C27

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Obiettivo di investimento sostenibile

Investimento sostenibile significa un investimento in un'attività economica che contribuisca ad un obiettivo ambientale o sociale, ponendo la condizione che tale investimento non arrechi un danno significativo ad alcun obiettivo ambientale o sociale e che le società oggetto dell'investimento seguano pratiche di buona governance.

La **Tassonomia dell'UE** è una classificazione definita nel Regolamento (UE) 2020/852 **che stabilisce un elenco di attività economiche ecosostenibili**. Tale Regolamento non include un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati con la **Tassonomia** o meno.

Questo prodotto finanziario ha avuto un obiettivo di investimento sostenibile?

☒ **SÌ**	☐ **NO**
☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 34.72%	☐ Ha **promosso aspetti ambientali/sociali (E/S)** e, pur non ponendosi come obiettivo un investimento sostenibile, ha compreso una proporzione del ___% di investimenti sostenibili
☐ in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che si qualificano come ecosostenibili secondo la Tassonomia UE
☒ in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE	☐ con un obiettivo ambientale in attività economiche che non si qualificano come ecosostenibili secondo la Tassonomia UE
	☐ con un obiettivo sociale
☒ ha effettuato **investimenti sostenibili con un obiettivo sociale:** 61.74%	☐ ha promosso caratteristiche A/S ma **non ha effettuato alcun investimento sostenibile**

In quale misura è stato soddisfatto l'obiettivo di sostenibilità degli investimenti per questo prodotto finanziario?

La realizzazione degli obiettivi di investimento sostenibile sono stati misurati tramite i seguenti indicatori di sostenibilità:

- impronta di carbonio: il Comparto registrava un'impronta di carbonio almeno del 30% inferiore rispetto a quella dell'indice di riferimento del Comparto.
- punteggio ESG: il Comparto ha conseguito un punteggio ESG medio ponderato superiore a quello dell'indice di riferimento del Comparto. Il punteggio ESG viene calcolato utilizzando la metodologia d'analisi ESG proprietaria di Candriam.

Sono inoltre stati monitorati i seguenti indici:

- Orientamenti dell'OCSE per le società multinazionali, Global Compact delle Nazioni Unite: per garantire che non vi siano investimenti in società che violino tali principi.
- Politica delle esclusioni di Candriam: garantire che non vi siano investimenti in società che figurano nell'elenco delle esclusioni SRI di Candriam a seguito dell'applicazione della Politica di esclusioni di Candriam.
- Numero di società controllanti sostenute dal voto di Candriam.

Gli **indicatori di sostenibilità** rilevano la misura in cui sono stati soddisfatti gli obiettivi

Cosa hanno rilevato gli indicatori di sostenibilità?

Il Comparto è stato gestito nel rispetto dei suoi indicatori di sostenibilità come definito di seguito.

di sostenibilità di questo prodotto finanziario.

Per la selezione degli investimenti sostenibili, il gestore del portafoglio ha preso in considerazione le valutazioni ESG degli emittenti prodotte dal team di analisti ESG di Candriam.

Per le società, queste valutazioni sono basate sull'analisi delle interazioni della società con i principali stakeholder e sull'analisi delle sue attività commerciali e del loro impatto, positivo o negativo, sulle sfide chiave della sostenibilità come il cambiamento climatico e l'impoverimento delle risorse. Inoltre, l'analisi ESG di Candriam comprende filtri di esclusione basati sulla conformità alle norme internazionali e sul coinvolgimento in attività controverse.

L'analisi e ricerca ESG di Candriam di investimenti sostenibili valuta inoltre la conformità degli investimenti al principio secondo il quale non devono "arrecare danno" all'obiettivo di un investimento sostenibile e le pratiche di buona governance.

L'integrazione della metodologia di ricerca ESG di Candriam ha permesso al Fondo di rispettare la proporzione minima di investimenti sostenibili definiti nel prospetto (75% minimo). La proporzione di investimenti sostenibili nel Fondo è stata pertanto al di sopra della soglia minima, come indicato nella sezione "Qual è stata la proporzione di investimenti associati alla sostenibilità?"

Il benchmark di riferimento non è stato designato allo scopo di realizzare l'obiettivo di investimento sostenibile del Comparto.

Il benchmark di riferimento del Comparto non ha i requisiti richiesti per essere un Indice di riferimento dell'UE relativo alla transizione climatica o un Indice di riferimento allineato all'accordo UE di Parigi ai sensi del Titolo III, Capo 3a, del regolamento (UE) 2016/1011.

Tuttavia, il Comparto mirava a produrre un'impronta di carbonio che fosse almeno del 30% inferiore rispetto a quella dell'indice di riferimento del Comparto.

Inoltre, poiché Candriam è parte dell'iniziativa Net Zero Asset Management, il Comparto mirava a ridurre le emissioni di gas serra in linea con gli obiettivi dell'Accordo di Parigi.

Nome dell'indicatore KPI	Valore	Indice di riferimento
Carbon Footprint - Corporate - Scope 1&2 - 30% reduction vs bench	22.10	167.82
ESG Score - Corporate - Higher than bench	50.56	44.87

...E rispetto ai periodi precedenti?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

I **principali effetti avversi** sono gli effetti negativi più rilevanti delle decisioni di investimento sui fattori di sostenibilità correlati ad aspetti ambientali e sociali, alle condizioni di lavoro, al rispetto dei diritti umani, all'anticorruzione e anticoncussione.

In che modo gli investimenti sostenibili non hanno arrecato danno significativo ad alcun obiettivo di investimento sostenibile?

Candriam ha garantito che i suoi investimenti sostenibili non causassero un danno significativo a qualsiasi obiettivo d'investimento sostenibile di carattere ambientale e/o sociale mediante la sua ricerca e analisi ESG degli emittenti societari e sovrani. In base alle sue valutazioni e punteggi ESG, la metodologia ESG di Candriam definisce chiari requisiti e soglie minime per identificare quegli emittenti che si qualificano come "investimento sostenibile" e, in particolare, non arrecano danni significativi a qualsiasi obiettivo di investimento sostenibile ambientale e/o sociale.

In particolare, il principio di "non arrecare danno significativo", è stato valutato per le società tramite:

- la considerazione dei "principali impatti negativi"
- l'allineamento agli orientamenti OCSE per le società multinazionali e del Global Compact delle Nazioni Unite per garantire le tutele minime sociali e ambientali.

Per maggiori dettagli, fare riferimento alla sezione che segue sulla considerazione dei principali effetti avversi sui fattori della sostenibilità.

In che modo sono stati presi in considerazione gli indicatori degli effetti avversi sui fattori di sostenibilità?

La considerazione degli impatti negativi è centrale per l'approccio agli investimenti sostenibili di Candriam. I principali impatti negativi sono presi in considerazione nell'intero processo di analisi e ricerca ESG e attraverso un'ampia gamma di metodi:

1. Valutazione ESG delle società: la metodologia di ricerca e screening ESG considera e valuta il principale impatto negativo sulla sostenibilità da due angolazioni distinte ma interconnesse:

- le attività economiche degli emittenti societari e come incidono, in termini positivi o negativi, sulle sfide chiave di sostenibilità come il cambiamento climatico e l'impoverimento delle risorse;
- le interazioni della società con i principali stakeholder.

2.Screening negativo delle società, che comprende un'esclusione su base normativa e un'esclusione delle società coinvolte in attività controverse.

3. Attività di coinvolgimento con società, attraverso attività di dialogo e di voto, che contribuiscono ad evitare o ridurre la portata degli impatti negativi. Il quadro dell'analisi ESG ed i suoi risultati alimentano il nostro processo di coinvolgimento, e viceversa.

L'integrazione dei principali impatti negativi sui fattori di sostenibilità è stata basata sulla rilevanza o possibile rilevanza di ciascun indicatore per ogni settore specifico a cui la società appartiene. La rilevanza dipende da diversi fattori quali: il tipo di informazioni, la qualità e la portata dei dati, l'applicabilità, la pertinenza e la copertura geografica.

Gli investimenti sostenibili sono stati allineati con gli "Orientamenti OCSE per le imprese multinazionali" e con i Principi Guida delle Nazioni Unite su Imprese e Diritti Umani? Dettagli:

Gli investimenti del Comparto sono stati assoggettati a un'analisi delle attività controverse su base normativa che considera la conformità a norme internazionali di carattere sociale, umano, ambientale e anticorruzione, secondo quanto definito dal Global Compact delle Nazioni Unite e dagli Orientamenti OCSE per le aziende multinazionali. L'Organizzazione internazionale del lavoro (OIL) e la Carta internazionale dei diritti umani sono parte dei numerosi riferimenti internazionali integrati nel nostro modello ESG e di analisi normativa.

Questa analisi è volta ad escludere le società che hanno significativamente e ripetutamente violato uno qualsiasi di questi principi.

In che modo questo prodotto finanziario ha preso in considerazione i principali effetti avversi sui fattori sostenibili?

A livello di comparto, i principali impatti negativi (PAI) sui fattori di sostenibilità vengono considerati attraverso uno o più strumenti (si veda la dichiarazione PAI di Candriam: https://www.candriam.com/en/private/sfdr/):

- Impegno e processo di voto: al fine di evitare e/o ridurre l'impatto negativo sugli obiettivi di sostenibilità, il Comparto ha considerato anche gli impatti negativi nelle sue interazioni con le società, attraverso il dialogo e il processo di voto. Candriam ha attribuito la priorità alle sue attività di coinvolgimento e voto in base a una valutazione delle sfide ESG più rilevanti e sostanziali, relative a settori ed emittenti, prendendo in considerazione gli impatti finanziari e societari e quelli sugli stakeholder. Pertanto, il livello di coinvolgimento in ciascuna società all'interno dello stesso prodotto può variare ed è soggetto alla metodologia di prioritizzazione di Candriam.
    - Dialogo:

Il clima (da PAI1 a PAI6) è ovviamente centrali nel nostro dialogo con le aziende. Le priorità dell'impegno per il clima da parte delle società sono identificate prendendo in considerazione:

- società che presentano un debole profilo di transizione (modello del rischio di transizione proprietario) e/o emissioni di carbonio ancora elevate (Ambito 1-2) o elevate emissioni di Ambito 3.
- emittenti dei settori finanziari ancora ampiamente esposti ai combustibili fossili e con un ruolo primario nel finanziamento della transizione
- relativa esposizione dei portafogli gestiti agli emittenti sopra citati.

Il nostro obiettivo è ovviamente incoraggiare le società a comunicare pubblicamente la loro strategia di allineamento alla traiettoria 1.5D e a sostenere questo allineamento. Oltre a qualsiasi impegno per l'obietto Net Zero e alla comunicazione delle emissioni assolute di Scope1-2-3, Candriam incoraggia le aziende a fornire indicazioni su come gli obiettivi a breve/medio termine siano allineati con la traiettoria 1.5D scientificamente riconosciuta. In particolare, chiediamo agli emittenti di spiegare in che modo la loro strategia e il loro piano di spesa in conto capitale vadano nel senso dell'impegno a favore della decarbonizzazione. Di norma, utilizziamo una combinazione di dialogo individuale e collaborativo. Come nell'anno precedente, continuiamo a sostenere e a prendere attivamente parte a diverse iniziative su base collaborativa come Climate Action 100+. Queste iniziative non solo contribuiscono ad aumentare il livello di trasparenza sulle emissioni di gas effetto serra e sulla relativa strategia ma anche a per acquisire una posizione di forza a favore del cambiamento strategico. I risultati di questo impegno sono riportati in dettaglio nella nostra relazione annuale su Impegno e processo di voto, disponibile sul nostro sito web pubblico (https://www.candriam.com/en/professional/insight-overview/publications/#sri-publications).

Dato il contesto geopolitico e la crescita delle diseguaglianze osservata, sono state intraprese diverse iniziative per la protezione dei diritti umani fondamentali a diversi livelli di rapporto di lavoro diretto o indiretto (due diligence della catena di approvvigionamento) (PAI10,PAI11). Abbiamo anche condotto una campagna di impegno diretto post-covid con la finalità di indagare gli effetti sulle relazioni con gli stakeholder e i cambiamenti ora entrati a far parte della "nuova normalità" dell'attività commerciale nelle società in cui Candriam investe. Nello stesso ambito, anche la gestione del capitale umano è un aspetto che trattiamo ampiamente nel dialogo con le società. Continuiamo a sostenere la Workforce Disclosure Initiative per un miglior accesso a dati affidabili, pertinenti e comparabili sui rapporti di lavoro diretti e indiretti delle società.

- Processo di voto:

l'approccio di Candriam alla Governance aziendale si fonda sulle norme riconosciute a livello internazionale, in particolare sui principi stabiliti dall'OCSE e sulla International Corporate Governance Network (ICGN).

A tal riguardo, Candriam ha esercitato i sue diritti di voto quando disponibili per le posizioni del portafoglio. I diritti degli Azionisti, la parità di trattamento per gli azionisti, la responsabilità del consiglio di amministrazione, la trasparenza e l'integrità dei bilanci sono pilasti fondamentali della nostra politica di voto. La maggior parte dei nostri voti relativi al management si concentra sulla remunerazione e l'elezione degli amministratori. Infatti, richiediamo alle società di rispettare il principio di retribuzione della prestazione e manifesteremo il nostro disaccordo non appena riscontreremo un livello di remunerazione eccessivo o condizioni di attribuzione non sufficientemente trasparenti o stringenti. In modo analogo, pretendiamo dalle società il rispetto con i nostri requisiti minimi di indipendenza: in caso di consigli di amministrazione che non rispettino questo requisito, ci opponiamo all'elezione, o rielezione, di qualsiasi amministratore non indipendente, ad eccezione del CEO. Naturalmente, per la votazione sono anche presi in considerazione la diversità (PAI13) ed il livello di competenza del consiglio.

Inoltre, Candriam considera sempre la pertinenza, la coerenza e la fattibilità delle misure promosse da qualsiasi decisione in ambito ESG prima di esprimere il voto.

Nel miglior interesse dei suoi clienti, Candriam considera, nelle sue decisioni di voto, l'opinione ESG interna sulle società oggetto dell'investimento insieme agli eventuali risultati dell'impegno intrapreso con tale società.

Nel contesto della politica di voto di Candriam, sono applicate linee guida specifiche per una serie di decisioni degli azionisti e del management relative ad ambiente (per esempio il clima (da PAI1 a PAI6), biodiversità (PAI7)), sociale (per esempio, la diversità, il divario retributivo tra i sessi (PAI12), diritti umani (PAI10, PAI11)) e governance. Più specificamente, Candriam accoglie con favore l'introduzione di risoluzioni "Say-on-Climate" sponsorizzate dal management. Candriam ha costruito un modello dettagliato da applicare a ogni risoluzione Say-on-Climate, che valuta il rigore e l'allineamento della strategia di transizione della società con un percorso verso le emissioni zero nel 2050. Ne consegue, che molte di queste non hanno ottenuto il nostro supporto nel corso di questo periodo.

- Esclusione: La selezione negativa di Candriam delle società o dei paesi mirava a evitare investimenti in attività o pratiche dannose e può condurre ad esclusioni connesse all'impatto negativo di società o emittenti.

- Monitoraggio: calcolo e valutazione dei principali indicatori di impatto negativo, compreso il report a livello di Comparto. Alcuni di questi indicatori possono avere obiettivi espliciti e possono essere utilizzarti per misurare il

raggiungimento dell'obiettivo d’investimento sostenibile del Comparto. Di seguito sono riportati gli indicatori di questo Comparto:

Indicatori PAI	Valore
1- GHG Emissions - Scope 1 GHG Emissions	18915.92
1- GHG Emissions - Scope 2 GHG Emissions	41915.66
1- GHG Emissions - Total GHG Emissions	60831.58
2 - Carbon Footprint	22.10
3 - GHG intensity of investee companies	87.44
4 - Exposure to companies active in fossil fuel sector	0.00%
10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.00%
13 - Board gender diversity	18.98%
14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.00%

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che costituiscono **la proporzione maggiore degli investimenti** del prodotto finanziario durante il periodo di riferimento, ovvero: 31/12/2022

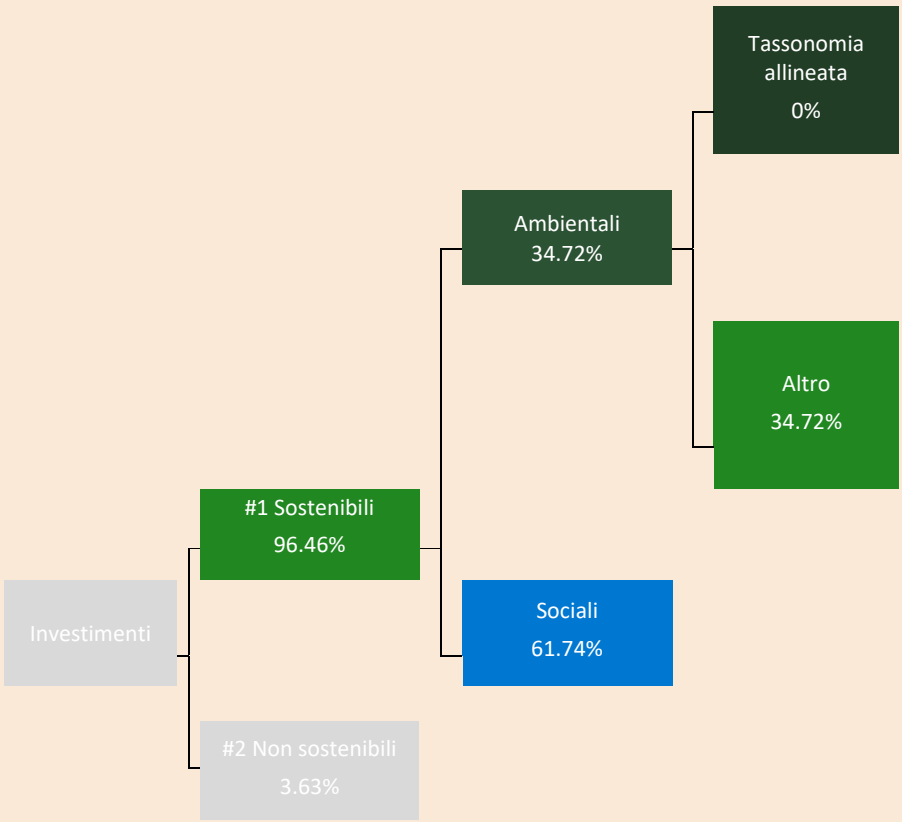
Principali investimenti	Settore	Proporzione	Paese
TAIWAN SEMICONDUCTOR CO	Electronics and semiconductors	6.79%	TW
ALIBABA GROUP	Miscellaneous services	4.74%	CN
MEITUAN - SHS 114A/REG S	Internet and internet services	3.39%	CN
HOUSING DEVELOPMENT FINANCE CORP	Banks and other financial institutions	3.09%	IN
JD.COM INC - CL A	Retail trade and department stores	2.63%	CN
PING AN INS (GRP) CO -H-	Insurance	2.38%	CN
SK HYNIX INC	Electronics and semiconductors	2.24%	KR
AXIS BANK	Banks and other financial institutions	2.16%	IN
DELTA ELECTRONIC INCS	Electrical engineering	2.10%	TW
INFOSYS TECHNOLOGIES DEMATERALISED	Internet and internet services	1.98%	IN
DINA POLSKA S.A.	Foods and non alcoholic drinks	1.89%	PL
SAMSUNG SDI CO LTD	Electronics and semiconductors	1.78%	KR
KB FINANCIAL GROUP INC	Banks and other financial institutions	1.71%	KR
JIUMAOJIU INTERNATIONAL HOLDINGS LIMITED	Foods and non alcoholic drinks	1.70%	CN
CIMB GROUP HOLDINGS BHD	Banks and other financial institutions	1.68%	MY

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

Qual è stata la proporzione di investimenti associati alla sostenibilità?

L'allocazione delle attività descrive la quota di investimenti in una specifica classe di attività.

Qual è stata l'allocazione delle attività?



#1 Sostenibile comprende gli investimenti sostenibili con obiettivi ambientali o sociali

#2 Non sostenibile comprende gli investimenti che non si qualificano come investimenti sostenibili.

In quali settori economici sono stati effettuati gli investimenti?

Settore principale	Proporzione
Banks and other financial institutions	26.61%
Electronics and semiconductors	12.42%
Internet and internet services	9.10%
Foods and non alcoholic drinks	6.90%
Miscellaneous services	4.74%
Retail trade and department stores	4.65%
Machine and apparatus construction	4.18%
Communication	4.10%
Pharmaceuticals	3.73%
Electrical engineering	3.52%
Insurance	3.15%
Chemicals	3.08%
Biotechnology	2.54%
Road vehicles	2.16%
Utilities	1.93%

A seguito del processo di arrotondamento delle cifre, possono essere presenti differenze minime tra i dati sopra riportati e quelli corrispondenti contenuti nella sezione "Portafoglio titoli" della relazione annuale.

In quale misura gli investimenti sostenibili con l'obiettivo di tutela ambientale sono stati allineati con la Tassonomia UE?

Per la conformità con la Tassonomia UE, i criteri relativi al **gas fossile** comprendono limiti sulle emissioni e la transizione all'energia completamente rinnovabile o ai combustibili a basso tenore di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri comprendono la sicurezza totale e le regole di gestione dei rifiuti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale ad un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali le alternative a basse emissioni di carbonio non sono ancora disponibili e, tra gli altri, hanno livelli di emissioni di gas effetto-serra corrispondenti alle migliori performance.

Il prodotto finanziario ha investito in attività associate al gas fossile e/o all'energia nucleare conformi alla Tassonomia UE[1]?

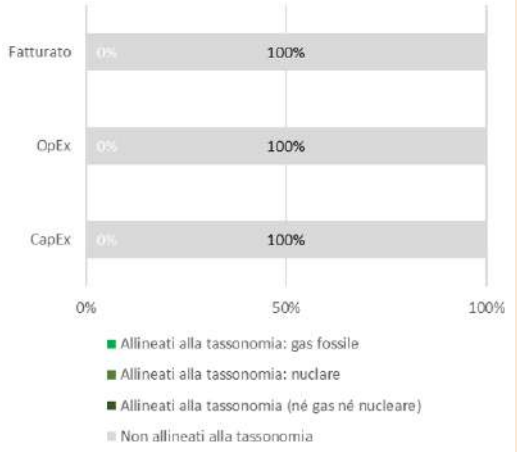
☐ Sì

☐ Nel gas fossile ☐ Nell'energia nucleare

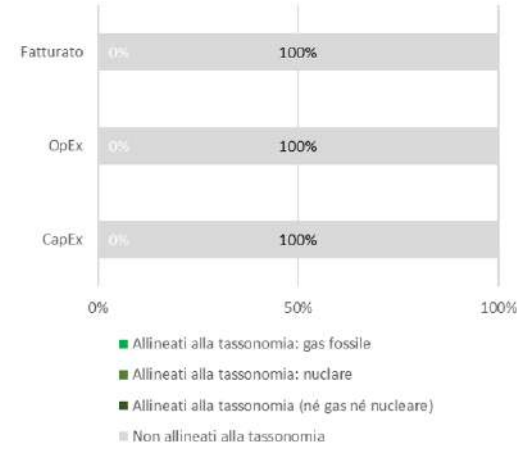
☒ No

I due grafici riportati di seguito rappresentano in verde la percentuale minima di investimenti allineati con la Tassonomia UE. Non essendoci una metodologia appropriata per la determinazione dell'allineamento alla Tassonomia dei titoli di stato, il primo grafico mostra l'allineamento della Tassonomia in relazione a tutti gli investimenti del prodotto finanziario, comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla Tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*

1. Allineamento alla Tassonomia degli investimenti **compresi i titoli di stato***



2. Allineamento alla Tassonomia degli investimenti **esclusi i titoli di stato***



** Nell'ambito di questi grafici, per "titoli di stato" si intende l'esposizione a qualsiasi obbligazione sovrana*

Le attività allineate alla Tassonomia sono espresse come quota di:

- **giro d'affari** che riflette la quota di profitto risultante dalle attività green delle aziende oggetto dell'investimento
- **spese in conto capitale** (CapEx) che rappresentano gli investimenti green effettuati dalle società oggetto dell'investimento, per esempio per la transizione ad un'economia green.
- **spese operative** (OpEx) che riflettono le attività operative green società oggetto dell'investimento.

Qual è stata la quota di investimenti in attività abilitanti e di transizione?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, né di attività di transizione e abilitanti, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

[1] Le attività relative ai gas fossili e/o al nucleare sono conformi alla Tassonomia UE solo se contribuiscono alla limitazione del cambiamento climatico ("mitigazione dei cambiamenti climatici") e non recano alcun danno significativo agli obiettivi della Tassonomia UE. Si veda la nota esplicativa nel margine sinistro. L'insieme completo dei criteri per le attività associate al gas fossile e all'energia nucleare conformi alla Tassonomia UE è fornito nel regolamento delegato (UE) 2022/1214 della Commissione.

Rappresenta gli investimenti sostenibili con un obiettivo di tutela ambientale che **non prendono in considerazione i criteri** per le attività economiche ecosostenibili previste dalla Tassonomia UE.

Qual è il rapporto con la percentuale di investimenti allineati con la Tassonomia UE effettuati nei precedenti periodi di riferimento?

Non applicabile in quanto non sono disponibili dati relativi al periodo precedente.

Qual è la ripartizione della proporzione degli investimenti per ciascuna delle categorie della Tassonomia UE alla quale hanno contribuito questi investimenti?

Il Comparto non è in grado di pubblicare una percentuale di allineamento con la Tassonomia, in quanto solo un piccolo numero di società a livello globale fornisce i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Pertanto la percentuale è considerata nulla.

Qual è stata la quota di investimenti sostenibili con un obiettivo di tutela ambientale non allineati con la Tassonomia UE?

Il Comparto ha registrato una quota del 34,72% di investimenti in attività sostenibili sul piano ambientale non allineate con la tassonomia UE.

In effetti, ad oggi, solo due dei sei obiettivi sono stati implementati nel 2022 e un numero esiguo di società a livello globale forniscono i dati necessari per una valutazione rigorosa del loro allineamento alla Tassonomia.

Qual è stata la quota di investimenti socialmente sostenibili?

ll Comparto ha registrato una quota del 61,74% di investimenti con un obiettivo sociale

Quali investimenti sono stati inclusi nella voce “#2 Non sostenibili”, qual era il loro scopo, ed esistevano delle salvaguardie ambientali o sociali minime?

Gli investimenti inclusi alla voce "Non sostenibili" sono presenti nel Comparto nella misura del 3,63% del valore del patrimonio netto totale.

Tali investimenti comprendono uno o più dei seguenti asset:

- Contanti: Contanti a vista, depositi in liquidità, accordi di riacquisto inverso (reverse repo) necessari per gestire la liquidità del Comparto in base alle sottoscrizioni/riscatti oppure risultanti dalle decisioni di esposizione al mercato del Comparto.
- Investimenti su emittenti considerati sostenibili al momento dell'investimento e non più completamente allineati ai criteri di investimento sostenibile di Candriam. Questi investimenti sono pianificati per essere venduti.
- Derivati non a titolo singolo utilizzati per la gestione efficiente del portafoglio e/o a fini di copertura e/o temporaneamente a seguito di sottoscrizioni/riscatti.

Quali misure sono state intraprese per soddisfare l’obiettivo di investimento sostenibile durante il periodo di riferimento?

Per rispettare gli obiettivi ambientali e/o sociali durante il periodo di riferimento, abbiamo escluso o venduto i seguenti investimenti, per i quali gli emittenti non prevedevano caratteristiche ambientali e/o sociali:

- Tencent: la società ha ricevuto una valutazione al di sotto della media ESG di ESG 7 ed ha ottenuto una segnalazione per lo screening con criteri normativi (che ci ha impedito di incrementare le posizioni esistenti). La valutazione ESG ha evidenziato i rischi ESG associati alle attività fortemente basate sui dati, che potevano tradursi in rischi normativi. Questi rischi includono violazioni della sicurezza delle informazioni e della privacy dei dati, nonché potenziali flussi finanziari illeciti attraverso la sua piattaforma di pagamento online. L'aumento del controllo normativo sulle aziende tecnologiche da parte del governo cinese negli ultimi anni può comportare un aumento dei rischi di non conformità per Tencent, in relazione a questi aspetti. Inoltre, Tencent e altre piattaforme di social media in Cina sono state segnalate da diverse ricerche pubbliche internazionali sulla policy per l'uso e il trattamento non autorizzato dei dati personali dei clienti a fini di sorveglianza online, tra cui il monitoraggio e la censura di post politicamente sensibili. Questo fondo ha venduto le sue posizioni su Tencent.
- Li Ning: La società ha ottenuto una valutazione ESG di ESG 7 a seguito della quale, dati i rischi ESG, il fondo ha venduto le sue posizioni su Li Ning. Al momento, poiché Li Ning non ha target ambientali pubblicamente noti sufficientemente completi e ambiziosi, e non ha visibilmente dimostrato di aver intrapreso misure sostanziali per migliorare significativamente la sostenibilità, i punteggi degli stakeholder di questa società per le categorie ambiente e fornitori riflette la strategia scarsamente avanzata di Li Ning rispetto alle altre società di pari livello.

Impegno: al fine di realizzare o mantenere l’obiettivo di investimenti sostenibili del fondo, Il team ESG di Candriam insieme al team EME ha intrapreso una serie di iniziative post-covid con diverse società dei mercati emergenti focalizzate sull’impatto della pandemia sulla gestione del capitale umano e sulla struttura della catena di approvvigionamento, nonché sul cambiamento delle tendenze e dei modelli di consumo.

Longi Green Energy Tech – Longi è un attore importante nel settore dei moduli solari PV. L'impegno è stato intrapreso con l'obiettivo di incoraggiare le società all'interno della catena del valore dell'energia solare a valutare, monitorare e comunicare i rischi relativi ai diritti umani e ai diritti dei lavoratori nella loro specifica catena di fornitura, in particolare rispetto al lavoro forzato. L'impegno era volta anche ad ottenere maggior trasparenza della catena di fornitura, in particolare relativamente alla tracciabilità dei prodotti.

Per dare un segnale che le sfide relative al cambiamento climatico sono state prese in considerazione, misuriamo l'impronta di carbonio delle società. Al 31/12/2022, l'impronta di carbonio era 22,10 tCO2-eq / milione di euro investito, a fronte di 167,82 tCO2-eq / milione di euro investito del benchmark del fondo.

Il comparto ambisce a conseguire un punteggio ESG, basato sulla metodologia ESG proprietaria di Candriam, superiore al benchmark. Al 31/12/2022, il punteggio ESG complessivo del comparto era di 50.56, a fronte di un punteggio ESG di 44.87 del benchmark.



Qual è stata la performance di questo prodotto finanziario rispetto al benchmark di sostenibilità di riferimento?

Non è stato scelto nessun indice specifico come indice di riferimento sostenibile per gli obiettivi di investimento sostenibile.

I **benchmark di riferimento** sono indici per la misurazione della capacità del prodotto finanziario di realizzare l'obiettivo sostenibile.

ANNEX V

Template periodic disclosure for the financial products referred toin Article 9, paragraphs 1 to 4a of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: CARMIGNAC PORTFOLIO CLIMATE TRANSITION **Legal entity identifier:** 54930057GC9U64S2L480

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

3. Did this financial product have a sustainable investment objective?

☒ **Yes** ☐ **No**

☒ It made **sustainable investments with an environmental objective:** 80 %*

- ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ___%

☐ 4. It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

During the 2022 period, the minimum proportion of sustainable investment was 60% and was increased to 80% of net assets sustainable investments as of 1st of January 2023 while maintaining an additional environmental objective of 10% of Taxonomy aligned investments for 2022 and 2023 periods.



To what extent was the sustainable investment objective of this financial product met ?

In regard to the Article 9 of the Sustainable Finance Disclosure Regulation ("SFDR"), the Sub-Fund's sustainable objective was, in 2022, to invest at least 60% of net assets in companies contributing to climate change mitigation and adaptation according to EU taxonomy standards.

To determine if a company contributes to an eligible environmental activity, the Taxonomy Report: Technical Annex is used which predefines sectorial NACE codes in scope. An investment universe of eligible companies is created containing around 450-500 companies. Once a company's activities are identified as satisfying the aforementioned sustainable objectives measured by the related revenue, the full weight of the company is considered as satisfying the sustainable objective.

The Sub-Fund 's minimum proportion of Taxonomy aligned investments that contribute to the above-mentioned environmental objectives is 10% of the Sub-Fund's net assets. For the minimum Taxonomy alignment calculation, the Technical Annex also serves as reference. The 4-step process is followed according to this guidance:

1. Determine if a company has eligible turnover
2. Assess the eligible activity's substantial contribution,
3. Ensure that the companies activities as a whole do not cause significant harm against the Taxonomy environmental objectives,
4. Determine if minimum safeguards are undertaken and the company does not violate important business norms such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

No breach of attainment of the sustainable objective have been identified during the year.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

This Sub-Fund has used the following sustainability indicators to measure the attainment of the sustainable objective :

- Sustainable investments that are eligible companies within the Taxonomy regulation (EU) 2020/852 (minimum 60% of the Sub-Fund's net assets, as described above) As of 30/12/2022, the proportion of taxonomy eligible investments was 88,59% of net assets.
- Alignment with Taxonomy regulation (EU) 2020/852 (minimum 10% of the Sub-Fund's net assets). As of 30/12/2022, the proportion of taxonomy aligned investments was 16.29%

The Sub-Fund has also used the following approaches and indicators to demonstrate its level of commitment to sustainability:

1) The coverage rate of ESG analysis: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. As of 30/12/2022, the coverage rate of ESG analysis was 100% of issuers.

2) Amount the equity universe is reduced by (minimum 20%): Negative screening and exclusions of unsustainable activities based on following indicators: (a) controversies against the OECD business guidelines and UN Global compact principles, (b) companies involved in the manufacture of controversial weapons (c) coal mining activity (d) power companies that do not respect certain carbon intensity limits, (e) companies involved in tobacco (f) companies involved in adult entertainment. The universe is further reduced by excluding companies not meeting the aforementioned sustainable objectives. As of 30/12/2022, the universe was reduced by 78% of the portfolio.

3) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies were measured by the following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings. In 2022, we engaged with 81 companies at Carmignac level, and 7 companies at Carmignac Portfolio Climate Transition level. At Sub-fund level, we voted for close to 100% of the meetings where we have shareholder or bondholder righs to exercise (96.30%).

Furthermore, this Sub-Fund is committed to applying the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 related to Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators (selected by the Responsible Investment team for pertinence and coverage) have been monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global

Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio (optional choice).

Please find below the performance of the principal adverse impacts indicators for the year 2022, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	**69 583**	99%
GHG Scope 2	Scope 2 GHG emissions	**7 775**	99%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	**172 165**	99%
Total GHG	Total GHG emissions	**249 523**	99%
Carbon footprint	Carbon footprint	**858,08**	99%
GHG intensity	GHG intensity of investee companies	**1 558,39**	99%
Exposure to fossil fuels	Share of investments in companies active in thefossil fuel sector	**16,83%**	99%
Non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**70,77%**	99%
Non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**30,81%**	99%
Energy consumptionintensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	**1,27**	99%
Energy consumption intensity - NACE SectorA	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A(Agriculture, forestry and fishing)	**0,16**	99%
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B(Mining and quarrying)	**1,02**	99%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C(Manufacturing)	**0,68**	99%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	**6,29**	99%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	**0,48**	99%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F(Construction)	**0,20**	99%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**N/A**	0%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H(Transporting and storage)	**0,27**	99%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	**N/A**	0%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**1,24%**	99%
Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**527,16**	99%
Hazardous waste	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**161,60**	99%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	**24 727,05**	99%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**0,30%**	99%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**59,88%**	99%

Gender pay gap	Average unadjusted gender pay gap of investee companies	**84,13%**	99%
Board gender diversity	Average ratio of female to male board members in investee companies	**28,00%**	99%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0,00%**	99%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	**61,16**	99%

…and compared to previous periods?

N/A

How did the sustainable investments not cause significant harm to any sustainable investment objective?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

All of the Sub-Fund's investments were examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy screening. More precisely, the investments were subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

As mentioned for taxonomy alignement calculations, the Sub-Fund ensures that such activities do not significantly harm the EU environmental and social safegards objectives.

Controversial behaviours engagement is aimed at eliminating a company's breach of the UN Global Compact and/ or OECD Guidelines for Multinational Enterprises and installing proper management systems to prevent such a breach from recurring. If engagement is unsuccessful, the company is considered for exclusion. Enhanced engagement cases are selected quarterly depending on the need for a follow-up. Engagement focus can differ between various investment exposures.

How were the indicators for adverse impacts on sustainability factors taken into account?

According to Carmignac approach defined, the Principal Adverse Impact indicators have been monitored on a quarterly basis. Adverse impacts are identified for degree of severity. After internal discussion an action plan is established including a timeline for execution.

Company dialogue is usually the preferred course of action to influence the company's mitigation of adverse impacts, in which case the company engagement is included in the quarterly Carmignac Engagement plan according to the Carmignac Shareholder Engagement policy. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Carmignac applies a controversy screening process on OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights for all its investments across all Sub-funds.

Carmignac acts in accordance with the United Nations Global Compact (UNGC) principles, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises to assess companies' norms, including but not limited to human rights abuses, labour laws and standard climate related practices.

This Sub-Fund applies a controversy screening process for all its investments. This process has for objective the exclusion from its investment universe companies that have committed significant controversies against the environment, human rights and international labour laws to name a few. This screening process bases its controversy identification on the OECD Business Guidelines and UN Global compact principles and is commonly called Norms-based screening, integrating a strict flagging system monitored and measured through Carmignac's proprietary ESG system START.

A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.



How did this financial product consider principal adverse impacts on sustainability factors?

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 14 mandatory and 2 optional environmental and social indicators will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling, Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio.

As part of its PAI strategy Carmignac identifies companies that underperform the benchmark in terms of PAI Indicators. Our third party data provider Impact Cubed enables us to monitor the impact of our funds for each PAI.

Identifying outliers for each PAI indicator (biodiversity, Energy consumption, Non-renewable energy production etc.) enables us to engage with companies in order to ensure they are committed to reducing their impact. We identified that Total Energies was one of the main contributors to the underperformance of Carmignac Portfolio Climate Transition for the GHG Intensity PAI. In 2022, we engaged with Total Energies SA, following our vote against the company's sustainability and climate transition plan at the company's 2022 AGM. We contacted the company in June to provide feedback on our views and areas for improvement identified. Those included:

1) a clearer way of showing their Co2 emissions reduction targets for Scope 1 and 2

2) a revision of their CAPEX allocation previsions towards renewables and green energy in the medium term

This engagement was also the opportunity to engage on environmental and social controversies the company is involved in. Taking into account the commitments made by the company to respect communities and the biodiversity, we asked for more clarity going forward on how the company intends to have sufficient oversight and ensure it is acting in line with its commitments over the long-term, while reporting to investors the respect of these commitments. We will follow-up with Total Energies on this specific PAI and make sure that appropriate measures are being implemented.

What were the top investments of this financial product?

Please find below the average top investments based on 12 month end data for 2022:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Larger investments	Sector	% Assets	Country
WASTE MANAGEMENT INC	Utilities	5.38%	USA
MICROSOFT CORP	Industrials	5.17%	USA
SAMSUNG ELECTRONICS	Information Technology	5.12%	South Korea
NEXTERA ENERGY	Utilities	3.97%	USA
RWE AG	Healthcare	3.94%	Germany
DANAHER CORP	Utilities	3.78%	USA
THERMO FISHER SCIENTIFIC INC	Healthcare	3.54%	USA
SCHNEIDER ELECTRIC SA	Industrials	2.93%	France
TAIWAN SEMICONDUCTOR	Information Technology	2.56%	Taiwan
STMICROELECTRONICS	Information Technology	2.53%	France
GEOPARK LTD	Energy	2.42%	Chile
KINGSPAN GROUP	Industrials	2.39%	Ireland
MASTEC INC	Industrials	2.32%	USA
LG CHEM	Materials	2.25%	South Korea
TOTAL SA	Energy	2.16%	France

What was the proportion of sustainability-related investments?

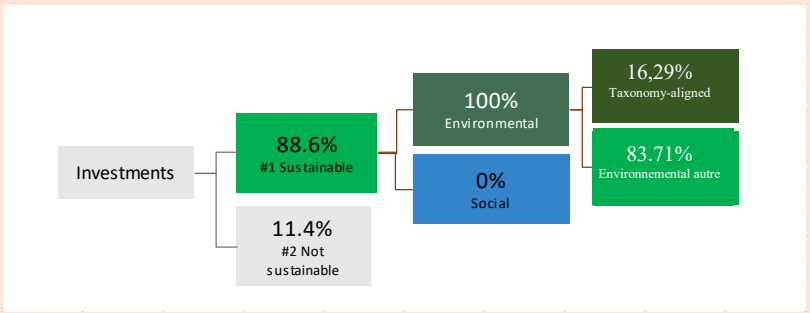
What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

A minimum proportion of 60% of the of this Sub-Fund's net assets was used to meet the sustainable objective of the Sub-Fund in accordance with the binding elements of the investment strategy. As of 30/12/2022, 88.6% of the Sub-fund's net assets was invested in shares of companies that contribute to climate change mitigation and climate change adaption according to EU Taxonomy standards regulation (EU) 2020/852.

A minimum proportion of 10% of the Sub-Fund's net assets wasinvested in sustainable investments aligned with the Taxonomy regulation. As of 30/12/2022, 16,29% of the Sub-Fund's net assets were invested in companies aligned with the EU Taxonomy regulation.

The "#2 Not Sustainable investments" include cash and derivative instruments, which may be used for hedging purposes. These instruments are not used to achieve the sustainable objective of the Sub-Fund.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

Please find below the average top sectors based on 12 month end data for 2022:

Larger economic sectors	% Assets
Industry	27.1%
Information Technology	27.1%
Utilities	14.5%
Materials	13.1%
Health Care	8.3%
Energy	5.4%
Oil & Gas - Exploration & Production	*2.8%*
Integrated Oil & Gas	*2.4%*
Oil & Gas - Equipment & Services	*0.2%*
Consumer Discretionary	2.5%
Communication Services	1.7%
Consumer Staples	0.5%

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

As of 30/12/2022, 16,29% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activties complying with the EU Taxonomy[2]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

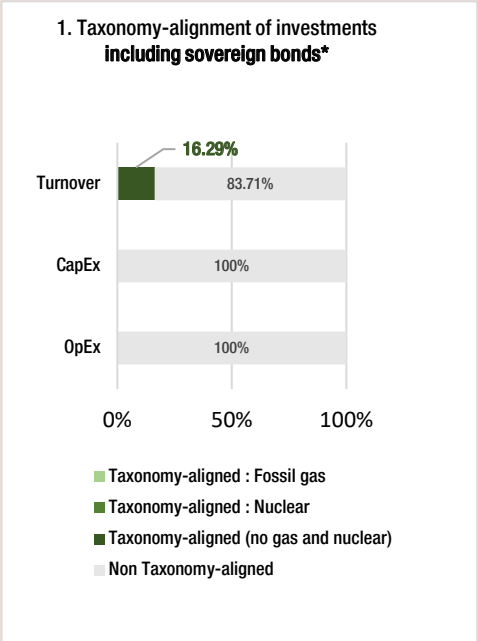
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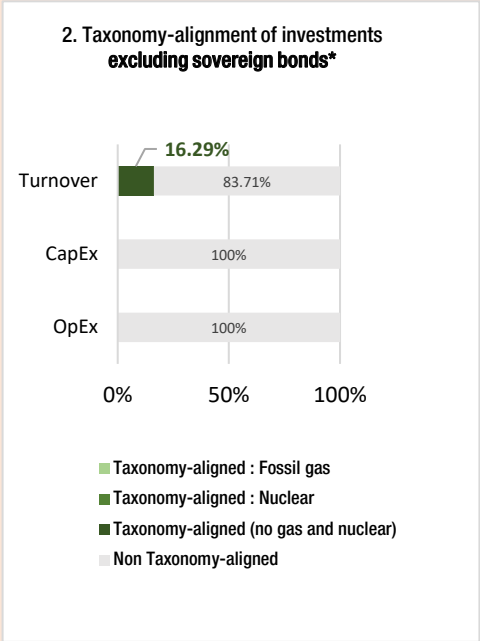
[2] Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

The graphs below show in green the percentage of investments that were 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.





This graph represents 92% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

The share of investments made in transitional and enabling activities are :

- 7,35% of enabling activities investments : portion of companies' aligned revenue from activities that enable other activities to reduce their CO2 emissions.
- 0,00% of transition activities investments : portion of companies' aligned revenue from activities that contribute to the transition towards a net zero carbon economy by 2050.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

Not Applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

As of 30/12/2022, 72.3% of the sustainable investments with an environmental objective were not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

Not Applicable

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash, and cash equivalent instruments, for liquidity management purposes. The Sub-Fund may also invest in derivatives instruments for hedging purposes.

To the extent that the Sub-Fund enters into short positions by using single issuer derivative instruments, the firm-wide exclusions are applied. The derivatives on single issuers are examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy ("norms-based") screening. More precisely, the investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

What actions have been taken to meet the sustainable investment objective during the reference period?

The below listed actions were conducted at Carmignac in 2022 in order to support the investment process in meeting environnemental /social characteristics :

Pillar 1: ESG Integration

- Addition of supplementary Social indicators (employee and consumer satisfaction data) in the proprietary START ESG scoring process informing analysts of material aspects that can affect the investment rational.
- Improved tracking capacity of Green, Social, Sustainability, and Sustainability linked bonds to help monitor and produce future reporting in the Global Portfolio Monitoring system, a portfolio managers dashboard of the funds positions.
- The addition of the proprietary sovereign ESG scoring models (Impact and Global) into the START interface enhancing the efficiency and knowledge base for the portfolio management team.
- Integration of Principal Adverse Impacts monitoring and initiation of a policy to integrate this information of Environmental, Social and Human rights indicators into the investment rational.
- Increased automated monitoring of the universe reduction process.
- Weekly monitoring of the minimum % of Sustainable Investments shared by Investment Teams

Pillar 2: Exclusions

- Automation of the quarterly review process of the list to identify companies that would be subject to the sector or controversy hard exclusions and the universe reduction process if relevant.

Pillar 3: Voting and Engagement

- Introduction of a 'key vote' approach to prioritise companies that are identified for more focused voting recommendations and potential engagements related to vote decision, in particular "Say on climate" votes.
- Launch of quarterly Stewardship newsletters to showcase to clients publicly how we promote active ownership.
- Continuation of our quarterly corporate engagement plan for which close to 58% were related to either Environmental or Social or Governance thematic-related issues.

More specifically regarding engagements, our fiduciary responsibility involves the full exercise of our rights as shareholders and engagement with the companies in which we are invested. Dialogue is maintained by financial analysts, portfolio managers and ESG team. We believe that our engagement leads to a better understanding of how companies manage their extra-financial risks and significantly improve their ESG profile while delivering long-term value creation for our clients, society and the environment. Our engagement may concern one of five considerations: 1) ESG risks, 2) an ESG theme,

3) a desired impact, 4) controversial behaviour, or 5) a voting decision at a General Meeting. Carmignac may collaborate with other shareholders and bondholders when doing so would help influence the actions and governance of companies held in the portfolio. In order to ensure that the company correctly identifies, foresees and manages any potential or confirmed conflict of interest situation, Carmignac has put in place and maintains policies and guidelines. For more information on our engagement policies, please visit the website.

In 2022, we engaged with 81 companies on ESG specific topics at Carmignac level, and with 7 companies in this particular fund.

For example, we engaged with TotalEnergies SA, following our vote against the company's sustainability and climate transition plan at the company's 2022 Annual General Meeting (AGM). We contacted the company in June to provide feedback on our views and areas for improvement identified. Those included:
1) a clearer way of showing their Co2 emissions reduction targets for Scope 1 and 2
2) a revision of their Capital expenditure (CAPEX) allocation previsions towards renewables and green energy in the medium term

This engagement was also the opportunity to engage on environmental and social controversies the company is involved in. Taking into account the commitments made by the company to respect communities and the biodiversity, we asked for more clarity going forward on how the company intends to have sufficient oversight and ensure it is acting in line with its commitments over the long-term, while reporting to investors the respect of these commitments. We will follow-up with TotalEnergies to ensure our expectations have been considered and appropriate measures are being implemented.



How did this financial product perform compared to the reference sustainable benchmark?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did the reference benchmark differ from a broad market index?***

  Not Applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not Applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not Applicable

- ***How did this financial product perform compared with the broad market index?***

  Not Applicable

Annex IV

ANNEX V

Template periodic disclosure for financial products referred to in *Article 9(1), (2) and (3) of Regulation (EU) 2019/2088 and Article 5 of Regulation (EU) 2020/852*

Product name: CT (Lux) SDG Engagement Global Equity **Legal entity identifier:** 213800TVDYDJOO2JBG48

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 28.39%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective:** 70.30%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

To what extent was the sustainable investment objective of this financial product met?

The CT (Lux) SDG Engagement Global Equity Fund allocated to companies in line with its investment policy, over the period. The Fund looks to demonstrate positive progress towards achieving the underlying targets of the UN's Sustainable Development Goals. Every investment made by the Fund was deemed sustainable, as per our definition of sustainable investments (see question 4 for further details). In the event an investment subsequently became non-sustainable post investment, for reasons such as changes in data or Fund investment policy, then the Fund would divest from the name.

How did the sustainability indicators perform?

The Portfolio exclusively invests in sustainable investments using the investment manager's 'avoid, invest, improve' framework. The Portfolio adheres to a set of exclusions, targets investment exclusively in sustainable investment. The fund aims to undertake targeted, impact-focused, active engagement with companies, using the Sustainable Development Goals ("SDGs") framework.

The Portfolio utilises several indicators to assess performance against this framework. During the period under review the Portfolio;

1. *Invested exclusively in Sustainable Investments with 87.58% of holdings demonstrating a positive revenue contribution to SDG objectives*
2. *Over the previous year the Portfolio had 125 investee company engagements, representing 42 companies engaged across 17 countries*
3. *19 milestones achieved, meaning the company made a tangible improvement in their policies and practices in alignment with our SDG engagement objective*

...and compared to previous periods?

Indicator	2022	2021
Proportion of the fund with >50% net revenue positively aligned with Sustainable Development Goals (SDGs[1])	87.58%	81.95%
The number of SDG-linked engagements conducted	125	90
The number of SDG-linked engagement milestones achieved	19	33

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

[1] Calculated as the Proportion of fund held in issuers which have greater than 50% of their Net Revenue aligned with the SDGs

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Portfolio's investment approach assesses that the sustainable investments made by the Portfolio do not significantly harm other sustainable investment objectives in several ways:

The Portfolio screens out investments that are contrary to the goals of making positive contributions to the environment and/or society. These criteria are product- and conduct-based, covering topics such as fossil fuels and weapons, and United Nations Global Compact breaches.

Through the Investment Manager's investment research, Sustainability Risks and ESG factors are considered throughout the investment cycle, which serves to mitigate the risks of significant harm. Companies are identified which the Investment Manager thinks could benefit from active engagement to address material ESG issues which exist but are not considered significantly harmful.

How were the indicators for adverse impacts on sustainability factors taken into account?

Investments which are reported as sustainable investments have been assessed to ensure they do not significantly harm (DNSH) sustainability objectives using an in-house data driven model and investment team due diligence.

The Investment Manager identifies harm by using quantitative thresholds against a selection of principal adverse impact indicators, including all mandatory indicators from Table 1 and certain indicators from Tables 2 and 3 of Annex I of the Regulatory Technical Standards (RTS)[2]. Issuers which fall below these thresholds are flagged as potentially harmful and a review is then undertaken to determine whether significant harm is being caused by the issuer. Where quantitative data is not available, the investment teams endeavour to satisfy that no significant harm has taken place through desk-based qualitative research or issuer engagement.

Depending on the materiality of the principal adverse impact indicator, the investment manager will either exclude the issuer or, in limited cases, seek to engage with the issuer to address the harmful practices by taking appropriate action.

During 2022 the investment team reviewed all portfolio holdings against the model and discussed the outcomes with the responsible investment team. It was agreed that no significant adverse impacts were identified for the fund.

[2] The Regulatory Technical Standards set out three tables detailing principal adverse indicators which have been defined by the European Commission. The tables cover a range of harmful activities across environmental, social and governance areas.

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

Yes. The Fund explicitly prohibits investment in companies which breach UN Global Compact (UNGC) principles. In addition, the sustainable investments are assessed under the DNSH due diligence against factors which align with UNGC and OECD guidelines to identify any significant harmful practices.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered PAIs in three ways:

1) Through alignment with the fund exclusion policy which covers four of the PAIs:

i. Exposure to companies active in the fossil fuel sector

The fund did not invest in companies:

- With ownership of geological reserves of coal/oil/gas. In line with the Net Zero Investment Framework, we avoid mining companies which are planning or constructing new thermal coal projects.
- That derive >0% of their revenue from exploration or production in areas of high environmental sensitivity, including the Arctic.
- That derive >5% of their revenue from:
  - Coal-related activities, including exploration, extraction, transportation, distribution and refining*[3].
  - Activities related to the exploration or extraction of unconventional oil & gas.
  - Conventional oil & gas-related activities, including exploration, extraction, refining and transportation
- That derive >50% of their revenue from equipment or services for coal- and/or conventional/ unconventional oil & gas-related activities.

ii. Share of non-renewable energy consumption and production

- Electricity utilities with coal in their electricity generation mix must commit to the objective of phasing out unabated coal-fired power by 2030 for OECD countries and 2040 for non- OECD countries. Electricity utilities that are structurally increasing coal-based power generation are excluded.
- In addition, the fund excluded electricity utilities*:
  – With a carbon intensity >374 gCO2/kWh.
  – Where >30% of the power production is based on oil & gas.

- Excluded electricity utilities where >5% of the power production is based on nuclear sources.

*Unless they have a Science Based Targets initiative (SBTi) target set at well-below 2°C or have a SBTi "Business Ambition or 1.5°C" commitment. NB. Companies' involvement in coal-related and/or oil & gas-related activities should not be increasing.

- Exclude electricity utilities constructing new nuclear power stations.
- Exclude companies that derive >5% of their revenue from selling products or services to the nuclear power industry3, except those that provide standard, non-customised or safety-related products/services.
- Exclude companies that own or operate active uranium mines.

iii. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

The fund did not invest in companies which are actively breaching the UN Global Compact Principles

iv. Exposure to controversial weapons

The fund did not make investments in companies that generate revenues from developing, manufacturing, or trading controversial weapons, including cluster munitions and anti-personnel landmines.

2) Utilising the PAI framework to review issuers against PAIs as per Table 1 in the RTS. This allows us to monitor harmful practices which may arise. No instances of significant harmful practices were identified for the positions held in the portfolio.

3) PAIs align with stewardship activities undertaken by the fund. For example, the fund took voting action at eight AGMs during the year due to issues related to diversity, more than a quarter of engagements related to employee matters, and more than 20% related to climate change topics. Further details of our engagement activity are described in this report.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Company	Sector	% of portfolio	Country
Waste Connections	Industrials	3.80	Canada
Alleghany Corp	Financials	3.69	United States
Bank Mandiri	Financials	3.56	Indonesia
Acuity Brands	Industrials	2.96	United States
ICON	Health Care	2.85	Ireland
Tecan Group	Health Care	2.84	Switzerland
Steris Corp	Health Care	2.72	United States
NetApp	Information Technology	2.69	United States
Americold Realty Trust	Real Estate	2.69	United States
WEX	Information Technology	2.68	United States
Xylem	Industrials	2.65	United States
Mettler-Toledo International	Health Care	2.63	United States
Wolters Kluwer	Industrials	2.60	Netherlands
Uni-Charm	Consumer Staples	2.59	Japan
ComfortDelGro	Industrials	2.47	Singapore

What was the proportion of sustainability-related investments?

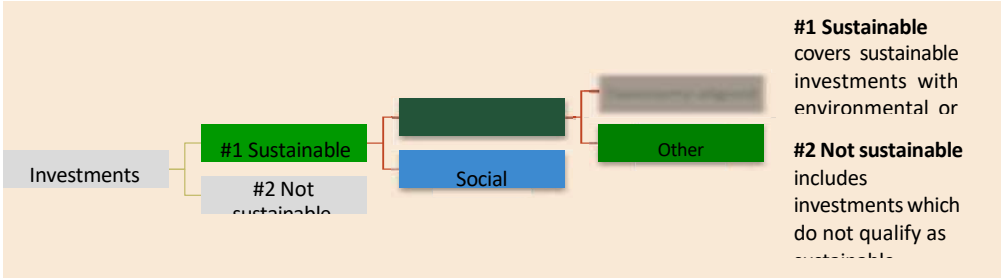
As at 30/09/2022 the fund held 98.69% in investments which are deemed to be sustainable investments.

What was the asset allocation?

As at 30/09/2022 the fund held 1.31 % in cash positions and the remaining 98.69 % in investments which are deemed to be sustainable investments.

Note an investment may contribute to one of more environmental or social objectives. Investments have been split based on a quantitative review of revenue exposure and with additional context provided from the investment and responsible investment teams.

Asset allocation describes the share of investments in specific assets.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects investee companies today.
- **capital expenditure** the "greenness" of (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

In which economic sectors were the investments made?

Sector	% Of Net Assets
Financial Services	11.98%
Healthcare	10.42%
Semiconductors	10.15%
Machinery-Diversified	8.85%
Insurance	5.98%
Food & Beverages	5.23%
Environmental Control	5.04%
Miscellaneous Manufacturers	3.97%
Retail	3.72%
Chemicals	3.60%
Electrical Component & Equipment	2.93%
Computers	2.67%
Real Estate	2.66%
Commercial Services	2.65%
Cosmetics & Personal Care	2.57%
Media	2.57%
Transportation	2.47%
Office & Business Equipment	2.06%
Auto Parts & Equipment	1.82%
Water	1.65%
Software	1.61%
Forest Products & Paper	1.59%
Building Materials	1.22%
Agriculture	1.14%

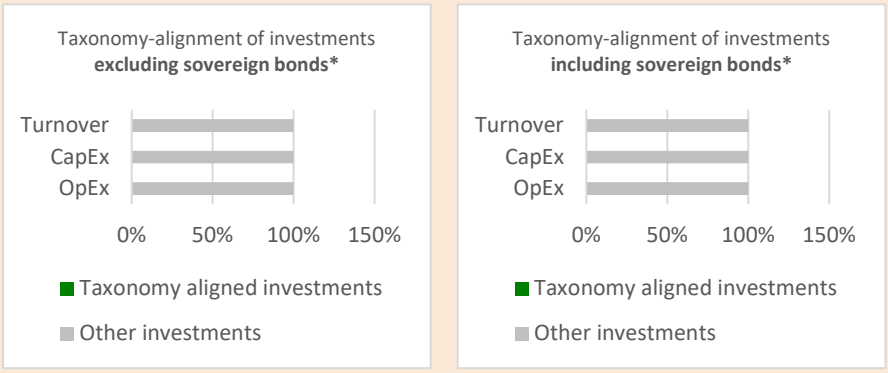
To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable investments with an environmental objective made by the fund do not have a commitment to align with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation.

Based on reliable data that has made available to date, the fund is reporting 0% of its investments are in economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation.

The graphs below show in green the percentage of investments that were 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.

Note that for this period no investments have been assessed against the taxonomy.



** For the purpose of these graphs, 'sovereign bonds' consists of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

0% of the investments made by the fund are in transitional and enabling activities as defined by the EU Taxonomy Regulation.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

The fund has not reported there being any alignment of its investments with the EU criteria for environmentally sustainable economic activities as defined by the EU Taxonomy Regulation to date

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

28.39% of the portfolio was invested in sustainable investments which predominantly contribute to an environmental objective.

What was the share of socially sustainable investments?

70.30% of the portfolio was invested in sustainable investments which predominantly contribute to a social objective.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Holdings classified as not sustainable refer to cash positions only. Cash positions comprised 1.31% of the fund. We do not apply minimum safeguards to cash positions.

What actions have been taken to attain the sustainable investment objective during the reference period?

In Q4 2021, we committed to aligning the fund with net zero emissions by 2050 or sooner. This builds on the existing climate change commitments for the fund, which include the exclusions of companies with fossil fuel reserves and engagement on climate opportunities and risks reinforced by our voting policy.

While the fund does not invest in companies which have significant adverse impacts, we believe we should still engage with companies to further support the fund's sustainable objective.

During the year there were 125 engagements with companies held in the portfolio. These covered 42 companies across 17 countries across a range of themes.

Given the explicit engagement mandate of this Fund, where a company has resisted engagement for two years and/or where engagement has not led to any momentum towards tangible positive change, the Global Equities team and Responsible Investment team would consider divesting. During the period, we sold out of several holdings on this basis. For example, in January 2022, we exited a name largely on grounds of illiquidity, but we also noted that while there had been some progress in board independence, (for which we had logged a Milestone) that engagement traction had generally been challenging. As such, we sold the name from the portfolio.

Our engagements are structured in line with the firm's engagement themes which align with the PAIs. Below we provide a breakdown of the engagements undertaken and which PAI categories these typically address. We are updating our engagement tracking and reporting to enable PAI reporting at indicator level. We note that an engagement may correlate with a number of PAI indicators.

Engagements by Theme	Alignment with PAIs[4]	Proportion of engagements	Milestones Achieved by Theme
Climate Change	GHG Emissions and Energy Performance	22.41%	26.32%
Environmental Stewardship	Biodiversity, Water, Waste	17.59%	31.58%
Business Conduct	Social and Employee Matters	1.72%	5.26%
Human Rights		5.86%	0.00%
Labour Standards		27.93%	10.53%
Public Health		5.86%	5.26%
Corporate Governance		18.62%	21.05%
Diversity – Voting Action		Took voting action at eight AGMs due to poor board gender diversity or failure to implement appropriate workforce diversity targets .	



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable.

- ***How did the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable***

[4] Note that themes may align with multiple PAIs. We will update engagement tracking and reporting capabilities to break down engagements by PAIs from 2023

investment objective?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

DEGROOF PETERCAM ASSET MANAGEMENT

ANNEX V

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:
DPAM B Equities Sustainable Food Trends

Legal entity identifier:
549300RTIGL1SBGOOZ17

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 16.05%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective:** 87.69%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

During the Reference Period, the Sub-fund invested in companies that contribute through their products and services to the 2 Sustainable Development Goals (SDGs) (2 (zero hunger) and 3 (good health and well-being)) defined by the United Nations, and to advance companies on their contribution to sustainable development and environmental, social and governance (ESG) issues.

The investment universe has been narrowed: the portfolio is focused on companies whose core business is the development of products and services that contribute to the achievement of the Sustainable Development Goals (SDGs) and/or climate change mitigation and adaptation as defined by the EU Taxonomy.

The Sub-fund has not designated a benchmark to achieve its sustainable investment objective within the meaning of Article 9 of Regulation 2019/2088. Derivative financial products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

How did the sustainability indicators perform?

During the Reference Period, the Sub-fund achieved the following sustainability indicators:

a. The Sub-fund has not been exposed to companies considered to be non-compliant with Global Standards;
b. The Sub-fund has not been exposed to companies involved in controversial activities according to the definitions and thresholds stipulated by DPAM's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf);
c. The Sub-fund has no exposure to companies facing ESG controversies of maximum severity;
d. During the reference period, the portfolio was not exposed to issuers in the bottom quintile (20%) for at least 2 of the 4 ESG risks identified for the issuer's activity and geographical area of activity. This sustainability indicator as currently drafted in the prospectus can be considered not to have been violation. However, due to a clerical error in the wording of this sustainability indicator, it has not been correctly reflected in the prospectus and should in fact read as follows: “Zero exposure to companies in the bottom 20% on more than 2 of its 4 main environmental, social or governance risks, specific to the company's activity and geographical scope.” For the reference period, the Sub-fund had zero exposure to companies in the bottom 20% on more than 2 of its 4 main environmental, social or governance risks, specific to the company's activity and geographical scope and that, on this basis, there was no breach.
e. A carbon intensity (direct scope 1 and 2 emissions) above the average carbon intensity of the Dax Agri before the sustainable investment

selection methodology was applied: 662.23 tCO2e/M revenue compared to 467.07 tCO2e/mn revenue (as at 31/12/2022).

f. The Sub-fund made a net positive contribution across the portfolio to the SDGs: 2 (zero hunger) and 3 (good health and well-being): total portfolio score: 3.76% (as at 31/12/2022) [1];

g. the Sub-fund invested 47.37% in companies with a positive net contribution to the SDGs: 2 (zero hunger) and 3 (good health and well-being)

…and compared to previous periods?

Not applicable

How did the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

DPAM ensures that the Sub-fund's sustainable investments during the Reference Period do not materially undermine an environmentally or socially sustainable investment objective by:

Issuer level:

- Consideration of the principal adverse impacts on the mandatory sustainability factors (hereinafter "PAIs") listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 which allows for the reduction of the negative impacts of the investment, including:
    - by incorporating several elements to avoid and/or reduce its exposure to activities or behaviours that could affect another environmental or social objective (such as the Global Standards compliance filter and the exclusion of ESG controversies of maximum severity or activities most harmful to other environmental and/or social objectives);
    - via an engagement process with investee companies, in accordance with its Engagement Policy, which can be accessed at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf. The commitments made by DPAM are also the subject of an annual report available at (https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_report_engagement_activity.pdf).
- An impact calculation methodology which takes into account the positive and negative contribution of the company's products and services to the SDGs in order to optimise the net positive (resulting) contribution.

[1] The net positive contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the SDGs framework, the net positive contribution takes into account on the one hand (1) the extent to which the invested company's products and services contribute to the achievement of the SDGs and on the other hand (2) the negative impacts of their activities along the value chain.

Overall portfolio level:

- A rule of positive net contribution of the portfolio as a whole to sustainable development objectives (SDG) 2 (zero hunger) and 3 (good health and well-being): total portfolio score: 3.76% (as at 31/12/2022);
- A rule of minimum 50% of assets aligned with the EU Taxonomy or making a net positive contribution to the SDGs. 2 (zero hunger) and 3 (good health and well-being). During the Reference Period, a minimum 47.37% of assets aligned with the EU Taxonomy or making a net positive contribution to the 2 SDGs.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to DPAM's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviors that may significantly hinder sustainable and inclusive growth. This commitment is incorporated into the entire research and investment process.

In concrete terms, the PAI have been integrated into the various stages of the sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through DPAM's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
   Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not comply with global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity were thus excluded from the portfolio in advance.
   c) the exclusion filter for companies involved in controversial activities (in accordance with DPAM's Controversial Activities Policy (accessible at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). has been applied. The exclusion of companies

involved in thermal coal production, for example, allows for better coverage of indicators such as biodiversity and greenhouse gas emissions.
The filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).

d) Similarly, environmental indicators have been included in the analysis of the ESG profile of companies and impact their scorecard.

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises have been de facto excluded from the investment universe.
b) the exclusion filter for companies involved in controversial activities (definitions and thresholds in accordance with DPAM's Controversial Activities Policy (available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments were directly excluded from the investment universe.
c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.
d) The issue of gender diversity within the board of directors has been addressed primarily through shareholder responsibility, by voting against or engaging in dialogue with companies that do not meet a minimum of 30% gender diversity on their boards. DPAM participated in 706 general and extraordinary meetings on behalf of 651 companies in 2022.
e) Similarly, social indicators are included in the analysis of the ESG profile of companies and impact their scorecard.
DPAM's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

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

The first stage of the Sub-fund's investment is based on a normative screening, which includes compliance with Global Standards based on human rights, labour rights and the prevention of corruption. These include the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights. Companies that do not meet these criteria are excluded from the inverse of eligible investments.

The Sub-fund has therefore not been invested during the Reference Period in any company that is deemed not to comply with these principles.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to DPAM's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviors that may significantly hinder sustainable and inclusive growth. This commitment is incorporated into the entire research and investment process.

In concrete terms, the PAI have been integrated into the various stages of the sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through DPAM's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
   Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not comply with global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity were thus excluded from the portfolio in advance.
   c) the exclusion filter for companies involved in controversial activities (in accordance with DPAM's Controversial Activities Policy (accessible at https://res.cloudinary.com/degroof-petercam-asset-

management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). has been applied. The exclusion of companies involved in thermal coal production, for example, allows for better coverage of indicators such as biodiversity and greenhouse gas emissions.
The filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).

d) Similarly, environmental indicators have been included in the analysis of the ESG profile of companies and impact their best-in-class ranking.

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises have been de facto excluded from the investment universe.
b) the exclusion filter for companies involved in controversial activities (definitions and thresholds in accordance with DPAM's Controversial Activities Policy (available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments were directly excluded from the investment universe.
c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.
d) The issue of gender diversity within the board of directors has been addressed primarily through shareholder responsibility, by voting against or engaging in dialogue with companies that do not meet a minimum of 30% gender diversity on their boards. DPAM participated in 706 general and extraordinary meetings on behalf of 651 companies in 2022.
e) Similarly, social indicators are included in the analysis of the ESG profile of companies and impact their best-in-class ranking.

DPAM's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
DEERE & COMPANY	MANUFACTURING	8.67 %	United States
OCI NV	MANUFACTURING	6.79 %	Netherlands
NUTRIEN LTD.	MANUFACTURING	6.07 %	Canada
CF INDUSTRIES HOLDINGS	MANUFACTURING	5.57 %	United States
KONINKLIJKE DSM	MANUFACTURING	5.44 %	Netherlands
BAKKAFROST	AGRICULTURE, FORESTRY AND FISHING	4.28 %	Norway
DARLING INGREDIENTS	MANUFACTURING	3.72 %	United States
MARINE HARVEST ASA	MANUFACTURING	3.28 %	Norway
ZOETIS A	MANUFACTURING	3.05 %	United States
SYSCO CORPORATION	MANUFACTURING	2.96 %	United States
TOMRA SYSTEMS ASA	MANUFACTURING	2.80 %	Norway
COMPASS GROUP PLC	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	2.74 %	United Kingdom
TATE & LYLE PLC	MANUFACTURING	2.54 %	United Kingdom
SIG COMBIBLOC GROUP AG	MANUFACTURING	2.08 %	Switzerland
AGCO CORP	MANUFACTURING	2.06 %	United States

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

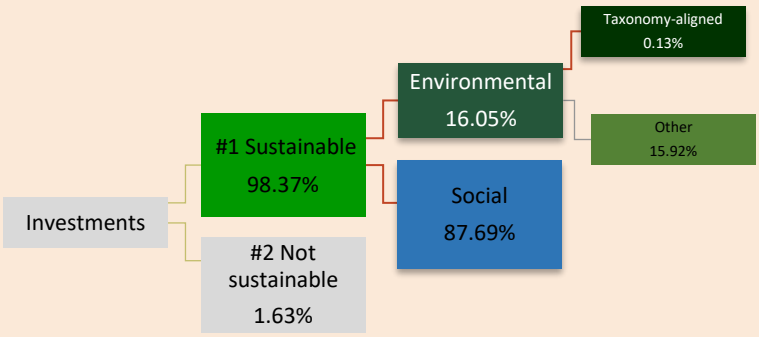
In the Reference Period, the Sub-fund invested at least 98.37% of its assets in sustainable investments with environmental or social objectives.

Sustainable investments (in the table below referred to as "#1 Sustainable") are: companies aligned with one of the first two objectives of the EU taxonomy (climate change mitigation and adaptation;

- companies aiming to make a net positive contribution to the United Nations (UN) Sustainable Development Goals ("SDGs"), which are environmental in nature;
- companies aiming to make a net positive contribution to the social SDGs.

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the cascade methodology described in the prospectus (section "Environmental, social and governance (ESG) considerations – Sustainability transparency"), which excludes double counting at the cascade level: an investment qualifying as sustainable at the level of a first element of the cascade is not then taken into account at the level of subsequent elements of the cascade.

In contrast, the percentages of the two sub-categories of sustainable investments (#1A Sustainable) in the portfolio invested in environmental investments other than those aligned with the taxonomy and social investments may involve some double counting. All portfolio companies are analysed against both (i) the environmental SDGs (and therefore may fall into the sub-category 'other environmental investments' even if they are also considered to be aligned with the taxonomy and/or as a social sustainable investment) and (ii) the social SDGs (and therefore may fall into the sub-category 'social investments' even if they are also considered to be aligned with the taxonomy and/or as an other environmental investment).



#1 Sustainable covers sustainable investments with environmental or social objectives

#2 Not sustainable includes investments which do not qualify as sustainable investments

In which economic sectors were the investments made?

Sector	Sub-sector	% of assets
Manufacturing	Manufacture of chemicals and chemical products	27.43 %
Manufacturing	Manufacture of food products	25.88 %
Manufacturing	Manufacture of machinery and equipment n.e.c.	16.03 %
Agriculture, forestry and fishing	Fishing and aquaculture	5.55 %
Accommodation and food service activities	Food and beverage service activities	4.45 %
Manufacturing	Manufacture of basic pharmaceutical products and pharmaceutical preparations	3.82 %
Agriculture, forestry and fishing	Crop and animal production, hunting and related service activities	3.23 %
Manufacturing	Repair and installation of machinery and equipment	2.96 %
Administrative and support service activities	Office administrative, office support and other business support activities	2.70 %
Manufacturing	Manufacture of paper and paper products	2.62 %
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail trade, except of motor vehicles and motorcycles	2.19 %
Agriculture, forestry and fishing	Forestry and logging	1.51 %
Cash	Cash	1.63 %

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

DPAM's methodology for assessing the EU Taxonomy alignment of investee companies is based on data provided either by the investee companies or by third party providers. The latter use a mixed approach:

- Firstly, a direct mapping between the business activities in their own sectoral classification system and the economic activities covered by the Technical Selection Criteria of the EU Taxonomy.
- Secondly, any business activity that could not be directly mapped is examined through a bottom-up assessment of its alignment with the EU Taxonomy's Technical Selection Criteria.
- Any economic activity remaining after the first and second steps is considered not to be aligned with the EU Taxonomy.

In principle, the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy is assessed by means of turnover (based on performance data provided by third-party suppliers).

Where information on the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy cannot be readily obtained from information published by the invested issuers, DPAM shall rely on equivalent information obtained by third-party providers from the invested issuers.

Applying this methodology, over the Reference Period, the Sub-fund is aligned for 0.13% with the first two objectives of the Taxonomy (environmental objectives of climate change mitigation and/or adaptation).

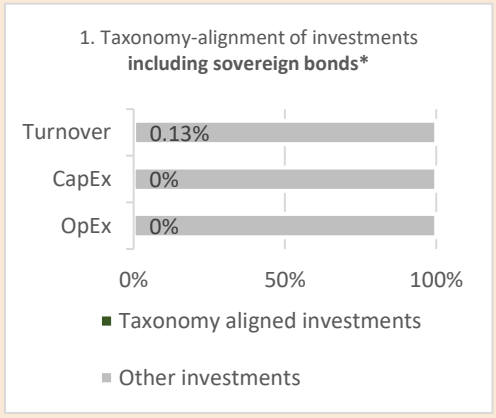
The compliance of these investments with the requirements set out in Article 3 of the EU Taxonomy is not subject to a guarantee provided by one or more auditors or a review by one or more auditors or a review by one or more third parties.

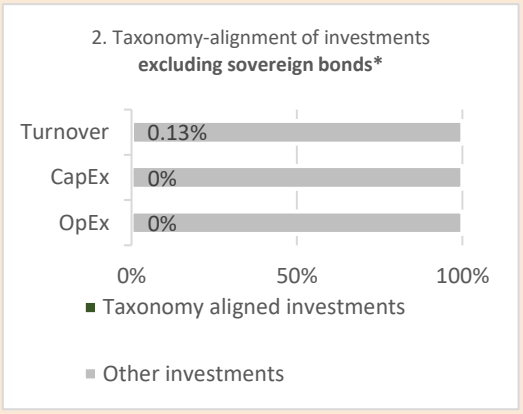
Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 amending and correcting the technical regulatory standards set out in Delegated Regulation (EU) 2022/1288 as regards the content and format of information to be published in pre-contractual documents and periodic reports relating to financial products that invest in environmentally sustainable economic activities entered into force on 20 February 2023. In particular, it amends the format of the information to be published in the periodic reports in order to declare whether, and graphically demonstrate the extent to which, a sub-fund invests in fossil gas and/or nuclear energy related activities, which are in line with the EU Taxonomy ('climate change mitigation'). DPAM does not have sufficient data at this stage to publish this information in the periodic report for the Reporting Period. DPAM will make every effort to obtain this data in 2023.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable

- ***How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Based on the approach described below, the Sub-fund invested 16.05% of its portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy over the Reference Period.

Only two of the six environmental objectives defined by the EU Taxonomy are currently covered by the regulatory framework of the EU Taxonomy Technical Selection Criteria that determine alignment with the EU Taxonomy (adaptation and climate change mitigation). Similar criteria for the other four environmental objectives have yet to be developed. In the meantime, DPAM wishes to continue to make sustainable investments that contribute to environmental objectives not covered by the current EU Taxonomy Technical Selection Criteria, including key environmental objectives such as the sustainable use and protection of water and marine resources, the prevention and control of pollution and the protection and restoration of biodiversity and ecosystems.

To this end, DPAM has adopted and defined a specific framework for identifying the environmental objectives of these sustainable investments and assessing their contribution to these objectives.

This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to environmental objectives.

DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the other four environmental objectives defined by the EU Taxonomy.



What was the share of socially sustainable investments?

Based on the approach described below, the Sub-fund invested 87.69% of its portfolio in sustainable investments with a social objective over the Reference Period. A European Taxonomy for social sustainability goals has yet to be developed.

In the meantime, DPAM wishes to continue to make sustainable investments that contribute to the achievement of key social goals such as zero hunger, quality education and peace, justice and strong institutions.

To this end, DPAM has adopted and defined a specific framework for identifying the social objectives of these sustainable investments and assessing their contribution to these objectives.

This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as

a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to social objectives.

DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the social objectives under the EU Taxonomy.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole sub-fund, excluding the:

- Liquid assets
- Derivative instruments

The Sub-fund may invest or hold these types of assets for the purpose of achieving investment objectives, portfolio diversification, liquidity management and risk hedging.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 1.63% cash. There are no minimum environmental or social guarantees on this allocation.



What actions have been taken to attain the sustainable investment objective during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e:

On a quarterly basis, a normative screening has been established based on compliance with Global Standards.

Subsequently, companies meeting the thresholds as defined in the activities excluded by DPAM's controversial activities policy were excluded.

On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

DPAM supplemented the various ESG exclusion filters using ESG risk and opportunities scorecards for each issuer in the portfolio. The scorecards were updated on an annual basis or ad hoc if an event should require a revision of the issuer's scorecard.

From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector. In addition, this qualitative analysis also includes consideration of the sustainability theme and the issuer's total contribution to the UN Sustainable Development Goals.

Finally, the sustainable objective was measured by ensuring that:

- the net contribution at the level of the entire portfolio to the SDGs 2 (zero hunger) and 3 (good health and well-being) is positive and
- a minimum of 50% of assets under management has been invested in companies making a net positive contribution to the SDGs: 2 (zero hunger) and 3 (good health and well-being).



How did this financial product perform compared to the reference sustainable benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

Not applicable

- ***How did the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

ANNEX V

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
DPAM B Equities World Sustainable

Legal entity identifier:
549300KYQ8QOYI13OU03

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
[x] It made **sustainable investments with an environmental objective:** 49.01%	[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
[x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[x] It made **sustainable investments with a social objective:** 89.67%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

During the Reference Period, the Sub-fund invested in companies that contribute through their products and services to the 17 Sustainable Development Goals (SDGs) defined by the United Nations, and to advance companies on their contribution to sustainable development and environmental, social and governance (ESG) issues.

The investment universe has been narrowed: the portfolio is focused on companies whose core business is the development of products and services that contribute to the achievement of the Sustainable Development Goals (SDGs) and/or climate change mitigation and adaptation as defined by the EU Taxonomy.

The Sub-fund has not designated a benchmark to achieve its sustainable investment objective within the meaning of Article 9 of Regulation 2019/2088. Derivative financial products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting environmental and/or social characteristics.

How did the sustainability indicators perform?

During the Reference Period, the Sub-fund achieved the following sustainability indicators:

a. The Sub-fund has not been exposed to companies considered to be non-compliant with Global Standards;
b. The Sub-fund has not been exposed to companies involved in controversial activities according to the definitions and thresholds stipulated by DPAM's Controversial Activities Policy (accessible via the link https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf);
c. The Sub-fund has no exposure to companies facing ESG controversies of maximum severity;
d. The Sub-fund had a better weighted average ESG profile than its benchmark, before the application of the ESG and sustainable investment selection methodology: 55.06 compared to 51.58 (as at 31/12/2022).
e. A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the sustainable investment selection methodology was applied: 31.38 tCO2e/M revenue compared to 185.03 tCO2e/mn revenue (as at 31/12/2022);
f. the Sub-fund made a net positive contribution across the portfolio to the: total score of the portfolio: 2.98% (as at 31/12/2022) [1];

[1] The net positive contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the SDGs framework, the net positive contribution takes into account on the one hand (1) the extent to which the invested company's products and services contribute to the achievement of the SDGs and on the other hand (2) the negative impacts of their activities along the value chain.

g. the Sub-fund invested 79.84% in companies with a positive net contribution to the SDGs.

…and compared to previous periods?

Not applicable

How did the sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

DPAM ensures that the Sub-fund's sustainable investments during the Reference Period do not materially undermine an environmentally or socially sustainable investment objective by:

Issuer level:

- Consideration of the principal adverse impacts on the mandatory sustainability factors (hereinafter "PAIs") listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 which allows for the reduction of the negative impacts of the investment, including:
  - by incorporating several elements to avoid and/or reduce its exposure to activities or behaviours that could affect another environmental or social objective (such as the Global Standards compliance filter and the exclusion of ESG controversies of maximum severity or activities most harmful to other environmental and/or social objectives);
  - via an engagement process with investee companies, in accordance with its Engagement Policy, which can be accessed at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf. The commitments made by DPAM are also the subject of an annual report available at (https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_report_engagement_activity.pdf).
- An impact calculation methodology which takes into account the positive and negative contribution of the company's products and services to the SDGs in order to optimise the net positive (resulting) contribution.

Overall portfolio level:

- A rule of positive net contribution of the portfolio as a whole to the 17: total portfolio score: 2.98% (as at 31/12/2022)
- A rule of minimum 50% of assets aligned with the EU Taxonomy or in net positive contribution on all 17 SDGs. During the Reference Period, a minimum 79.84% of assets aligned with the EU Taxonomy or making a net positive contribution to all 17 SDGs.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

The PAIs are intrinsically linked to DPAM's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviors that may significantly hinder sustainable and inclusive growth. This commitment is incorporated into the entire research and investment process.

In concrete terms, the PAI have been integrated into the various stages of the sub-fund's construction upstream via exclusions and the resulting eligible universe (i), and throughout the investment process via fundamental analysis, monitoring of controversies and ongoing dialogue with the companies invested in (ii):

1) Firstly, with regard to environmental PAIs:

   a) they have been analyzed and monitored at the level of the invested issuers, particularly with respect to PAI related to greenhouse gas emissions and energy performance, including through DPAM's searches under the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
   Thus, indicators related to greenhouse gas emissions and water have been integrated into the analysis of the five companies that contribute most to the carbon intensity of the portfolio. This analysis is used by research and management to validate their investment decisions.
   b) After that, the Global Standards compliance filter includes a filter on environmental protection. Companies that do not comply with global standards for significant environmental protection breaches related to pollution (emissions), water, waste and biodiversity were thus excluded from the portfolio in advance.
   c) the exclusion filter for companies involved in controversial activities (in accordance with DPAM's Controversial Activities Policy (accessible at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). The exclusion of companies involved in thermal coal production, for example, allows for better coverage of indicators such as biodiversity and greenhouse gas emissions.
   The filtering and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to environmental issues such as the environmental impact of the company's operations (emissions, waste, energy use, biodiversity, and water consumption), the environmental impact of the supply chain, and the impact of products and services (carbon and environmental impact).
   d) Similarly, environmental indicators have been included in the analysis of the ESG profile of companies and impact their best-in-class ranking.

2) Second, the social PAIs were systematically analyzed according to the stages of the research and investment process:

   a) the Global Standards compliance filter is structured around human rights, labor rights and the prevention of corruption. Thus, companies in breach of the Global Compact principles and the OECD Guidelines for Multinational Enterprises have been de facto excluded from the investment universe.
   b) the exclusion filter for companies involved in controversial activities (definitions and thresholds in accordance with DPAM's Controversial Activities Policy (available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006839/DPAM_policy_Controversial_activities.pdf). In this way, companies involved in controversial armaments were directly excluded from the investment universe.
   c) In addition, the screening and analysis based on the main ESG controversies in which companies may be involved also includes controversies related to social issues, i.e. society and community, customer and employee, and controversies related to governance issues such as business ethics, including corruption and bribery.
   d) The issue of gender diversity within the board of directors has been addressed primarily through shareholder responsibility, by voting against or engaging in dialogue with companies that do not meet a minimum of 30% gender diversity on their boards. DPAM participated in 706 general and extraordinary meetings on behalf of 651 companies in 2022.

      Similarly, social indicators are included in the analysis of the ESG profile of companies and impact their best-in-class ranking. DPAM's approach and processes are further described in its Sustainable and Responsible Investments Policy and in the TCFD report, which are available at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006836/DPAM_policy_Sustainable_and_Responsible_Investment.pdf and DPAM_report_TCFD.pdf (cloudinary.com).

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

The first stage of the Sub-fund's investment is based on a normative screening, which includes compliance with Global Standards based on human rights, labour rights and the prevention of corruption.

These include the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights. Companies that do not meet these criteria are excluded from the universe of eligible investments. The Sub-fund

has therefore not been invested during the Reference Period in any company that is deemed not to comply with these principles.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

During the Reference Period, the Sub-fund considered all the principal adverse impacts on sustainability factors (hereinafter "PAI") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288.

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What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
MICROSOFT	INFORMATION AND COMMUNICATION	4.44 %	United States
ALPHABET A	INFORMATION AND COMMUNICATION	3.95 %	United States
MASTERCARD INCORPORATED CLASS A	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	3.27 %	United States
DANAHER CORPORATION	MANUFACTURING	3.01 %	United States
THERMO FISHER SCIENTIFIC	MANUFACTURING	3.01 %	United States

NESTLE (NOM)	MANUFACTURING	2.89 %	Switzerland
STRYKER CORPORATION	MANUFACTURING	2.85 %	United States
BOSTON SCIENTIFIC CORPORATION	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	2.85 %	United States
LVMH	MANUFACTURING	2.79 %	France
S&P GLOBAL INC	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	2.79 %	United States
LONZA GROUP AG	MANUFACTURING	2.75 %	Switzerland
MARSH & MCLENNAN COMPANIES, INC.	FINANCIAL AND INSURANCE ACTIVITIES	2.56 %	United States
NVIDIA CORP	MANUFACTURING	2.34 %	United States
UNITEDHEALTH GROUP	FINANCIAL AND INSURANCE ACTIVITIES	2.29 %	United States
ADOBE SYSTEMS INCORPORATED	INFORMATION AND COMMUNICATION	2.28 %	United States



What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.

In the Reference Period, the Sub-fund invested at least 97.37% of its assets in sustainable investments with environmental or social objectives.

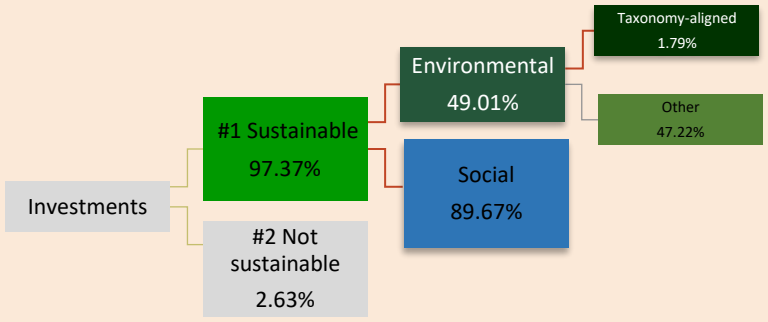
Sustainable investments (in the table below referred to as "#1 Sustainable") are: companies aligned with one of the first two objectives of the EU taxonomy (climate change mitigation and adaptation;

- companies aiming to make a net positive contribution to the United Nations (UN) Sustainable Development Goals ("SDGs"), which are environmental in nature;
- companies aiming to make a net positive contribution to the social SDGs.

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the cascade methodology described in the prospectus (section "Environmental, social and governance (ESG) considerations – Sustainability transparency"), which excludes double counting at the cascade level: an investment qualifying as sustainable at the level of a first element of the cascade is not then taken into account at the level of subsequent elements of the cascade.

In contrast, the percentages of the two sub-categories of sustainable investments (#1A Sustainable) in the portfolio invested in environmental investments other than those aligned with the taxonomy and social investments may involve some double counting. All portfolio companies are analysed against both (i) the environmental SDGs (and therefore may fall into the sub-category 'other environmental investments' even if they are also considered to be aligned with the taxonomy and/or as a social sustainable investment) and (ii) the social SDGs (and therefore may fall into the sub-category 'social investments' even if they are also

considered to be aligned with the taxonomy and/or as an other environmental investment).



#1 Sustainable covers sustainable investments with environmental or social objectives

#2 Not sustainable includes investments which do not qualify as sustainable investments

In which economic sectors were the investments made?

Sector	Sub-sector	% of assets
Information and communication	Publishing activities	15.67 %
Manufacturing	Manufacture of computer, electronic and optical products	14.20 %
Administrative and support service activities	Office administrative, office support and other business support activities	8.89 %
Manufacturing	Other manufacturing	7.77 %
Manufacturing	Manufacture of basic pharmaceutical products and pharmaceutical preparations	6.98 %
Information and communication	Information service activities	5.59 %
Manufacturing	Manufacture of chemicals and chemical products	5.14 %
Manufacturing	Manufacture of food products	4.56 %
Financial and insurance activities	Activities auxiliary to financial services and insurance activities	3.95 %
Manufacturing	Manufacture of machinery and equipment n.e.c.	3.84 %
Financial and insurance activities	Financial service activities, except insurance and pension funding	3.55 %
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale trade, except of motor vehicles and motorcycles	2.85 %
Manufacturing	Manufacture of wearing apparel	2.79 %
Financial and insurance activities	Insurance, reinsurance and pension funding, except compulsory social security	2.29 %
Other service activities	Other personal service activities	2.04 %
Manufacturing	Manufacture of leather and related products	1.91 %
Information and communication	Computer programming, consultancy and related activities	1.85 %
Real estate activities	Real estate activities	1.79 %
Manufacturing	Manufacture of wood and of products of wood and cork, straw and plaiting	1.72 %

Cash	Cash	2.63 %



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

DPAM's methodology for assessing the EU Taxonomy alignment of investee companies is based on data provided either by the investee companies or by third party providers.

The latter use a mixed approach:

- Firstly, a direct mapping between the business activities in their own sectoral classification system and the economic activities covered by the Technical Selection Criteria of the EU Taxonomy.
- Secondly, any business activity that could not be directly mapped is examined through a bottom-up assessment of its alignment with the EU Taxonomy's Technical Selection Criteria.
- Any economic activity remaining after the first and second steps is considered not to be aligned with the EU Taxonomy.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

In principle, the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy is assessed by means of turnover (based on performance data provided by third-party suppliers).

Where information on the extent to which investments are investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy cannot be readily obtained from information published by the invested issuers, DPAM shall rely on equivalent information obtained by third-party providers from the invested issuers.

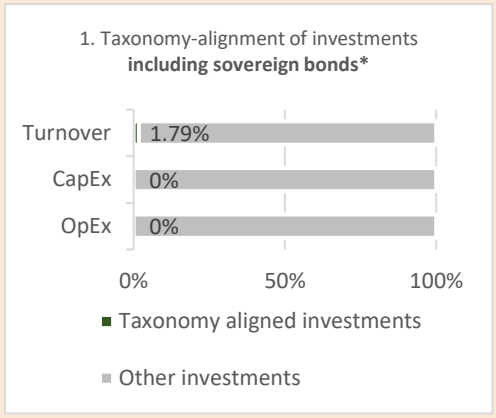
Applying this methodology, over the Reference Period, the Sub-fund is aligned for 1.79% with the first two objectives of the Taxonomy (environmental objectives of climate change mitigation and/or adaptation).

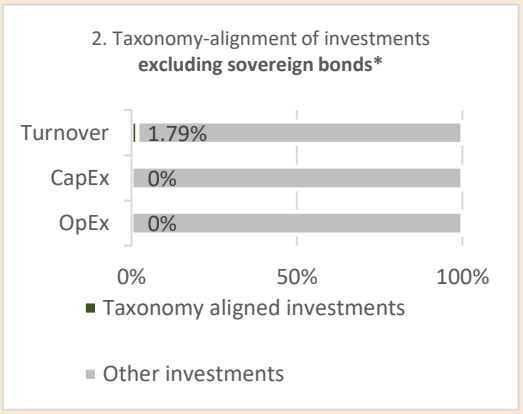
The compliance of these investments with the requirements set out in Article 3 of the EU Taxonomy is not subject to a guarantee provided by one or more auditors or a review by one or more auditors or a review by one or more third parties.

Commission Delegated Regulation (EU) 2023/363 of 31 October 2022 amending and correcting the technical regulatory standards set out in Delegated Regulation (EU) 2022/1288 as regards the content and format of information to be published in pre-contractual documents and periodic reports relating to financial products that invest in environmentally sustainable economic activities entered into force on 20 February 2023. In particular, it amends the format of the information to be published in the periodic reports in order to declare whether, and graphically demonstrate the extent to which, a sub-fund invests in fossil gas and/or nuclear energy related activities, which are in line with the EU Taxonomy ('climate change mitigation'). DPAM does not have

sufficient data at this stage to publish this information in the periodic report for the Reporting Period. DPAM will make every effort to obtain this data in 2023.

The graphs below show in green the percentage of investments that were 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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- ***What was the share of investments made in transitional and enabling activities?***

Not applicable

- ***How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Based on the approach described below, the Sub-fund invested 49.01% of its portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy over the Reference Period.

Only two of the six environmental objectives defined by the EU Taxonomy are currently covered by the regulatory framework of the EU Taxonomy Technical Selection Criteria that determine alignment with the EU Taxonomy (adaptation and climate change mitigation). Similar criteria for the other four environmental objectives have yet to be developed. In the meantime, DPAM wishes to continue to make sustainable investments that contribute to environmental objectives not covered by the current EU Taxonomy Technical Selection Criteria, including key environmental objectives such

as the sustainable use and protection of water and marine resources, the prevention and control of pollution and the protection and restoration of biodiversity and ecosystems.

To this end, DPAM has adopted and defined a specific framework for identifying the environmental objectives of these sustainable investments and assessing their contribution to these objectives. This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to environmental objectives.

DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the other four environmental objectives defined by the EU Taxonomy.



What was the share of socially sustainable investments?

Based on the approach described below, the Sub-fund invested 89.67% of its portfolio in sustainable investments with a social objective over the Reference Period. A European Taxonomy for social sustainability goals has yet to be developed. In the meantime, DPAM wishes to continue to make sustainable investments that contribute to the achievement of key social goals such as zero hunger, quality education and peace, justice and strong institutions.

To this end, DPAM has adopted and defined a specific framework for identifying the social objectives of these sustainable investments and assessing their contribution to these objectives.
This framework uses data from investee companies and third-party suppliers and assesses the negative and positive contribution of (potential) investee companies, as a percentage of their turnover, to the UN Sustainable Development Goals (SDGs) that can be attributed to social objectives.

DPAM will review and reassess this framework when the EU Taxonomy Technical Selection Criteria have been implemented for the social objectives under the EU Taxonomy.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole sub-fund, excluding the:

- Liquid assets
- Derivative instruments

The Sub-fund may invest or hold these types of assets for the purpose of achieving investment objectives, portfolio diversification, liquidity management and risk hedging.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 2.63% cash. There are no minimum environmental or social guarantees on this allocation.



What actions have been taken to attain the sustainable investment objective during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e:
On a quarterly basis, a normative screening has been established based on compliance with Global Standards.

Subsequently, companies meeting the thresholds as defined in the activities excluded by DPAM's controversial activities policy were excluded.

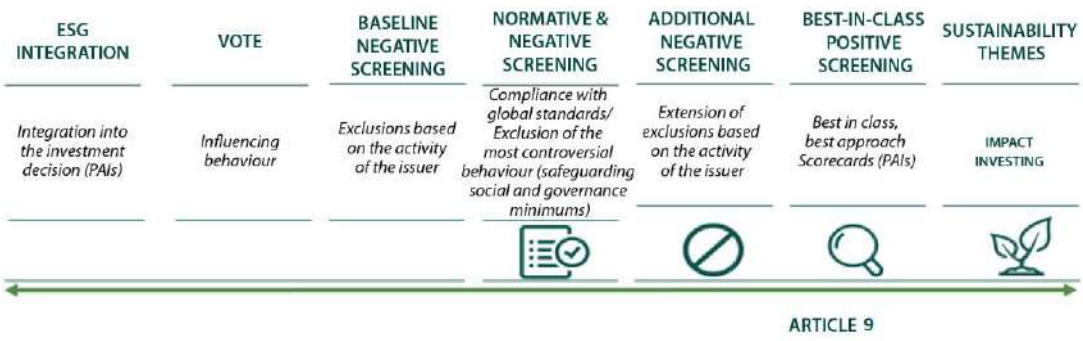
On a quarterly basis, the controversy exposure of the companies in the investment universe was analysed to screen out the most severe controversies on environmental, social and governance issues.

Subsequently, on a semi-annual basis, the resulting universe was subject to a “best-in-class" ranking in order to retain only the best ESG profiles of companies on a list of securities eligible for management (25% of the lowest scores were removed from the eligible list by sector).
From this defined eligible universe, the research and management teams have applied their expertise to select the securities in the portfolio on the basis of an in-depth fundamental analysis, which also includes a thorough analysis of the various environmental, social and governance criteria relevant to the business sector. In addition, this qualitative analysis also includes consideration of the sustainability theme and the issuer's total contribution to the UN Sustainable Development Goals.

Finally, the sustainable objective was measured by ensuring that:

- the net contribution at the level of the whole portfolio to the 17 SDGs is positive and
- a minimum of 50% of assets under management has been invested in companies making a net positive contribution to the 17 SDGs:

The stages of the investment process are outlined below:



How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

Periodic information for financial products referred to in Article 9(1 to 4a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 5 of Regulation (EU) 2020/852

Product name:

DPAM L BONDS EMERGING MARKETS SUSTAINABLE

Legal entity identifier:

549300SSFJ1T430O4I73

Sustainable investment objective

Did this financial product have a sustainable investment objective?

●● [X] **Yes**	●○ [ ] **No**
[X] It made sustainable **investments with an environmental objective: 63.86%**	[ ] It promoted **environmental and/or social (E/S) characteristics** and although it did not have a sustainable investment target, it had a sustainable investment ratio of ___%.
[ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environ mentally sustainable under the EU Taxonomy
	[ ] with a social objective
[X] It made sustainable **investments with a social objective: 71.65%**	[ ] It promoted E/S features, but **did not make sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** This regulation does not set out a list socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators assess how the environmental or social characteristics promoted by the financial product are achieved.

To what extent was the sustainable investment objective of this financial product met?

During the Reference Period (01/01/2022-31/12/2022), the Sub-fund invested in countries that are committed to respecting fundamental rights (human rights, labour rights, democratic rights, etc.), protecting their environmental capital and promoting the well-being of their present and future generations. By combining a rigorous selection of countries with a formal and systematic engagement policy and prioritising recognised impact bonds (green bonds and equivalents), the Sub-fund invested in the most committed or best performing countries in terms of sustainable development.

The objective of sustainable development was pursued via:

- rigorous ESG screening, based on a proprietary sustainability model of states aligned with the Sustainable Development Goals
- promoting best practices and best efforts by defining eligibility rules based on ESG ratings
- formal and systematic engagement with issuers and investment in impact securities (green bonds and similar).

The Sub-fund has not designated a benchmark to achieve its sustainable investment objective within the meaning of Article 9 of Regulation 2019/2088.

Derivative financial products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting the environmental and/or social characteristics of the Sub-fund.

- ***How did the sustainability indicators perform?***

  During the Reference Period, the Sub-fund achieved the following sustainability indicators:

  a. The Sub-fund was not exposed to countries which do not meet a minimum standard of democracy in accordance with the Manager's controversial activities policy

  b. The Sub-fund invested a minimum of 40% of its assets in countries ranked in the top quartile according to the proprietary country sustainability model

  c. The Sub-fund invested a maximum of 10% of its assets in countries ranked in the last quartile according to the proprietary country sustainability model

  d. The Sub-fund engaged in a dialogue with the invested issuers according to the approach described in its Engagement Policy

Thus, over the Reference Period, the Sub-fund achieved:

- achieve a weighted average democratic score above the weighted average democratic score of the reference universe (consisting of emerging and developing countries as defined by the IMF): 63.4 vs 31.2
- a greenhouse gas emission intensity of the investee countries that is lower than the greenhouse gas emission intensity of its reference universe (consisting of emerging and developing countries as defined by the IMF) as defined by regulatory technical standards: 1714 tCO2e/$ GDP bn versus 6466 tCO2e/*GDP bn (at 31/12/2022).

…and in comparison with previous periods?

Not applicable

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Manager ensured that the Sub-fund's sustainable investments during the Reference Period did not materially undermine an environmentally or socially sustainable investment objective by:

- excluding issuers that do not meet a democratic minimum
- sustainability analysis of countries to identify those that show the greatest commitment to sustainable development on governance, environmental and social issues but also those that show a willingness to make progress on these issues; the resulting country rankings form the basis of the investment rules i.e. min. 40% of assets in countries ranked in the top quartile and max. 10% in countries ranked in the bottom quartile.
- an engagement process with investee countries, in accordance with its Engagement Policy, which can be accessed at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf. The commitments made by DPAM are also the subject of an annual report available at (https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_report_engagement_activity.pdf).

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the sub-fund has taken into consideration all the principal adverse impacts on sustainability factors (hereinafter "PAIs") listed in

Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288 that are applicable to investments in sovereign or supranational issuers.

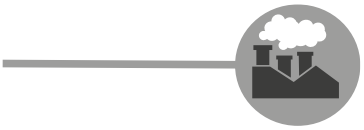
The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth. This commitment is incorporated throughout the research and investment process from its inception.

The first PAI relates to environmental issues and focuses on the greenhouse gas emission intensity of the investee countries. The indicator is an integral component of the country sustainability model that the Manager developed for its sovereign bond strategies. Consequently, it is included in the country's sustainability score and can influence it positively or negatively depending on its level and development compared to other issuer countries.

The second PAI relates to social issues and focuses on issues of social breaches. Our country sustainability model monitors a number of indicators on this issue, such as respect for civil liberties and political rights, respect for human rights and the level of violence within the country, commitment to key labour law conventions, the issue of equal opportunities and distribution of wealth, etc. These different indicators are included in the country's sustainability score and can influence it positively or negatively depending on its level and evolution compared to other emitting countries.

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

Not applicable to sovereign bonds.



How has this financial product considered principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

During the Reference Period, the sub-fund has taken into consideration all the principal adverse impacts on sustainability factors (hereinafter "PAIs") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288 that are applicable to investments in sovereign or supranational issuers.

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What were the main investments of this financial product?



The list includes the investments that constitute **the largest share of the financial product's investments** during the reference period, namely: 31/12/2022

Largest investments	Sector	% of assets	Country
POLAND (REPUBLIC OF) 1.750% 25-APR-2032	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.89%	Poland
7 3/4 MEXICO MAY31 29.05.2031	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.71%	Mexico
8 7/8 SOUTH AFRICA FEB35 28.02.2035	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.51%	South Africa
INDONESIA (REPUBLIC OF) 7.500% 15-JUN-2035	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.02%	Indonesia
URUGUAY I/L 3,875 20-020740	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.97%	Uruguay
10% BRAZIL JAN29 F 01.01.2029	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.93%	Brazil
2 3/4 POLAND APR28 WS0428 25.04.2028	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.82%	Poland
INDONESIA (REPUBLIC OF) 7.5% 15/08/2032	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.81%	Indonesia
BONOS 5.500% 04-MAR-2027	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.73%	Mexico

BRAZIL LETRAS TESOURO NACIO 0.000% 01-JAN-2025	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.70%	Brazil
5 3/4 MEXICO MAR26 05.03.2026	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.62%	Mexico
ROMANIA 4,75 19-111034	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.52%	Romania
8 1/2 SOUTH AFRICA JAN37 31.01.2037	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.50%	South Africa
8% MEXICO NOV47 07.11.2047	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.49%	Mexico
3 3/8 SINGAPORE SEP33 01.09.2033	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.48%	Singapore

Asset allocation describes the share of investments in specific assets.

What was the ratio of sustainability-related investments?

What was the asset allocation?

In the Reference Period, the Sub-fund invested at least 85.86% of its assets in sustainable investments with environmental or social objectives. These sustainable investments (in the table below referred to as "#1 Sustainable") are:

- countries that are committed to respecting fundamental rights (human rights, labour rights, democratic rights, etc.), protecting their environmental capital and promoting the well-being of their present and future generations.

- that have an environmental objective not aligned with the European Taxonomy, due to their more advanced positioning on energy efficiency, climate change, biodiversity and emissions or

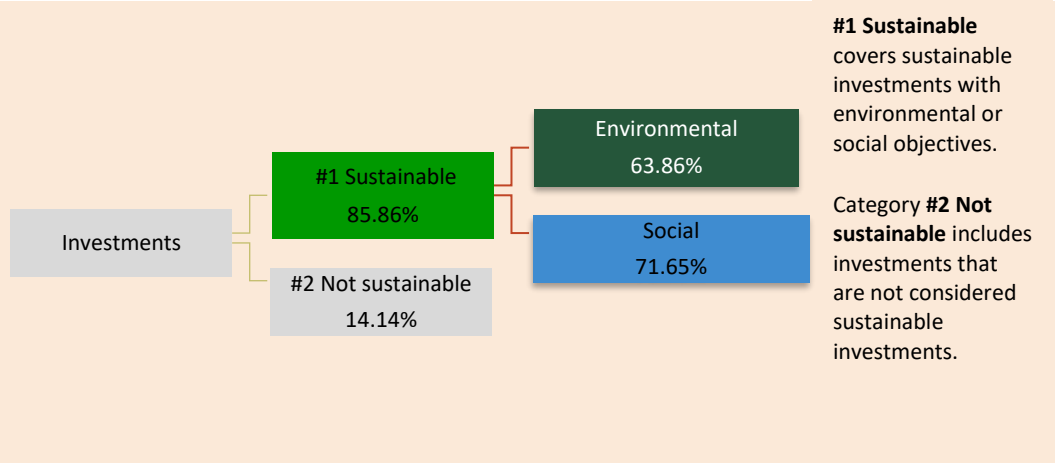
- which have a social objective, due to their more advanced positioning on issues related to wealth distribution, population and welfare, health care, education and innovation.

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the following cascade methodology:

- impact instruments such as green and sustainable emissions (2.8%)
- bonds issued by a government whose environmental score is in the top three quartiles of the benchmark universe (environmental objective)
- bonds issued by a government whose social score is in the top three quartiles of the ranking of countries in the reference universe (social objective).

In contrast, the percentages of the two sub-categories of sustainable investments (#1A Sustainable) in the portfolio invested in environmental investments other than

those aligned with the taxonomy and social investments may involve some double counting. All countries in the portfolio are analysed against both (i) the environmental aspect and (ii) the social aspect (and therefore may fall into the sub-category "social investments" even if they are also considered environmental investments).



- ***In which economic sectors were investments made?***

Sector	Sub-sector	% of assets	
Public administration and defence; compulsory social security	Public administration and defence; compulsory social security	88.82	%
Activities of extraterritorial organisations and bodies	Activities of extraterritorial organisations and bodies	3.38	%
Financial and insurance activities	Financial service activities, except insurance and pension funding	1.51	%
Information and communication	Telecommunications	0.09	%
Derivatives	Derivatives	0.31	%
Cash	Cash	5.90	%

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

To date, the EU Taxonomy does not provide a methodology for determining the alignment of sovereign bonds with the EU Taxonomy. These bonds are therefore not covered by the EU Taxonomy or its eligibility and technical selection criteria.

Has the financial product invested in fossil gas and/or nuclear energy activities in line with the EU Taxonomy[1]?

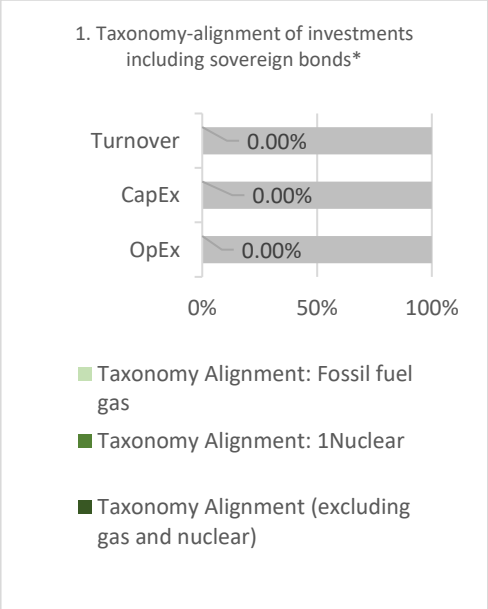
☐ Yes:

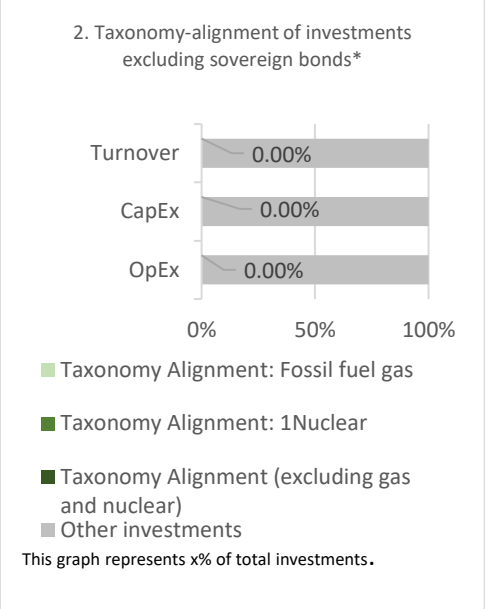
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.*

[1] Fossil gas and/or nuclear activities will only be compliant with the EU Taxonomy if they contribute to mitigating climate change ("climate change mitigation") and do not significantly undermine an objective of the EU Taxonomy - see explanatory note in the left margin. The full criteria for fossil gas and nuclear energy economic activities that are in line with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are economic activities** for which low-carbon alternatives are not yet available and whose greenhouse gas emission levels correspond to the best achievable performance.

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable

- ***What was the percentage of investments aligned with the EU Taxonomy compared to previous reporting periods?***

  Not applicable


Are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Based on the approach described below, the Sub-fund invested 63.86% of its portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy over the Reference Period.

The proprietary sustainability model is based on environmental, social and governmental aspects. In the environmental aspect, the proprietary model takes into account energy efficiency, climate change, biodiversity and country emissions. Investing in the highest ranked countries in this aspect therefore means that the Sub-fund has an environmental objective. The scores of the Environment component of the EM Manager country model make it possible to rank the member states in descending order. Countries in the bottom quartile of the ranking (rounding up the number of eligible countries) do not have an environmental target. Further information on methodology and data resources is available in the information on this Sub-fund via www.dpamfunds.com (in particular in the sections “Methodologies” and “Data Sources and Data Processing”).



What was the share of socially sustainable investments?

Based on the approach described below, the Sub-fund invested 71.65% of its portfolio in sustainable investments with a social objective over the Reference Period.

The proprietary sustainability model is based on environmental, social and governmental aspects. In the social aspect, the proprietary model of sustainability of countries takes into account both current generations (wealth distribution, population, health care) and future generations (education and innovation). Investing in the highest ranked countries in this aspect therefore means that the Sub-

fund has a social objective. Similarly, the scores for the Social component (i.e. present and future generations of the proprietary model) allow the member states to be ranked in descending order. Countries in the bottom quartile of the ranking do not have a social target. Further information on methodology and data resources is available in the information on this Sub-fund via www.dpamfunds.com (in particular in the sections “Methodologies” and “Data Sources and Data Processing”).



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole Sub-fund, excluding the:

- Liquid assets
- Derivative instruments
- Collective investment schemes

The Sub-fund may invest or hold these types of assets for the purpose of achieving investment objectives, portfolio diversification, liquidity management and risk hedging.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 5.9% cash. There are no minimum environmental or social guarantees on this allocation.



What actions have been taken to attain the sustainable investment objective during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e:

On a half-yearly basis, a normative screening has been established on the basis of compliance with democratic minimums by excluding countries that do not meet a democratic minimum as defined by the manager’s controversial activities policy.

On a semi-annual basis, the eligible universe was subject to a best-in-class ranking based on the country sustainability model so as to invest a minimum of 40% of assets under management in top quartile countries and a maximum of 10% of assets under management in bottom quartile countries.



Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

How has this financial product performed in comparison to the sustainable reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How has this financial product performed in comparison to the reference benchmark?***

  Not applicable

- ***How has this financial product performed in comparison to the broad market index?***

  Not applicable

Periodic information for financial products referred to in Article 9(1 to 4a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 5 of Regulation (EU) 2020/852

Product name:

DPAM L BONDS GOVERNMENT SUSTAINABLE HEDGED

Legal entity identifier:

549300C4MM2N96C6QG79

Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ● [X] **Yes**	● ○ [ ] **No**
[X] It made sustainable **investments with an environmental objective: 66.20%**	[ ] It promoted **environmental and/or social (E/S) characteristics** and although it did not have a sustainable investment target, it had a sustainable investment ratio of ___%.
[ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environ mentally sustainable under the EU Taxonomy
	[ ] with a social objective
[X] It made sustainable **investments with a social objective: 78.29%**	[ ] It promoted E/S features, but **did not make sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** This regulation does not set out a list socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators assess how the environmental or social characteristics promoted by the financial product are achieved.

To what extent was the sustainable investment objective of this financial product met?

During the Reference Period (01/01/2022-31/12/2022), the Sub-fund invested in countries that are committed to respecting fundamental rights (human rights, labour rights, democratic rights, etc.), protecting their environmental capital and promoting the well-being of their present and future generations. By combining a rigorous selection of countries with a formal and systematic engagement policy and prioritising recognised impact bonds (green bonds and equivalents), the Sub-fund invested in the most committed or best performing countries in terms of sustainable development.

The Sub-fund has not designated a benchmark to achieve its sustainable investment objective within the meaning of Article 9 of Regulation 2019/2088.

Derivative financial products, if any, used for the purpose of achieving the investment objectives of the Sub-fund have not been used for the purpose of promoting the environmental and/or social characteristics of the Sub-fund.

How did the sustainability indicators perform?

During the Reference Period, the Sub-fund achieved the following sustainability indicators:

a. The Sub-fund was not exposed to countries which do not meet a minimum standard of democracy in accordance with the Manager's controversial activities policy

b. The Sub-fund invested only in the top 50% of OECD countries ranked according to the proprietary country sustainability model. The Sub-fund engaged in a dialogue with the invested issuers according to the approach described in its Engagement Policy.

c. The Sub-fund focused on impact instruments such as green and sustainable emissions. The portfolio was 16% exposed to this type of instrument at the end of the reference period.

Thus, over the Reference Period, the Sub-fund achieved:

- a weighted average democratic score above the weighted average democratic score of the reference universe (consisting of OECD member countries): 95 vs 87

- a greenhouse gas emission intensity of the investee countries lower than the greenhouse gas emission intensity of its reference universe (consisting of member states of the OECD) as defined by regulatory technical standards: 384.15 tCO2e/$ GDP bn (at 31/12/2022).

…and in comparison with previous periods?

Not applicable

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Manager ensured that the Sub-fund's sustainable investments during the Reference Period did not materially undermine an environmentally or socially sustainable investment objective by:

- excluding issuers that do not meet a democratic minimum
- sustainability analysis of countries to identify those that show the greatest commitment to sustainable development on governance, environmental and social issues but also those that show a willingness to make progress on these issues; the resulting country rankings form the basis of the investment rules i.e. only in the top 50% of OECD countries according to the proprietary country sustainability model the consideration of the principal adverse impacts on the mandatory sustainability factors (hereinafter "PAIs") listed in Table 1 of Annex 1 of the Delegated Regulation (EU) 2022/1288 which allows for the reduction of the adverse impacts of the investment
- an engagement process with investee countries, in accordance with its Engagement Policy, which can be accessed at https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_policy_engagement.pdf. The commitments made by DPAM are also the subject of an annual report available at (https://res.cloudinary.com/degroof-petercam-asset-management/image/upload/v1614006835/DPAM_report_engagement_activity.pdf).

How were the indicators for adverse impacts on sustainability factors taken into account?

During the Reference Period, the sub-fund has taken into consideration all the principal adverse impacts on sustainability factors (hereinafter "PAIs") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288 that are applicable to investments in sovereign or supranational issuers.

The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth. This commitment is incorporated into the entire

research and investment process.

The first PAI relates to environmental issues and focuses on the greenhouse gas emission intensity of the investee countries. The indicator is an integral component of the country sustainability model that the Manager developed for its sovereign bond strategies. Consequently, it is included in the country's

sustainability score and can influence it positively or negatively depending on its level and development compared to other issuer countries.

The second PAI relates to social issues and focuses on issues of social breaches. Our country sustainability model monitors a number of indicators on this issue, such as respect for civil liberties and political rights, respect for human rights and the level of violence within the country, commitment to key labour law conventions, the issue of equal opportunities and distribution of wealth, etc. These different indicators are included in the country's sustainability score and can influence it positively or negatively depending on its level and evolution compared to other emitting countries.

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

Not applicable for investments in sovereigns.



How has this financial product considered principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

During the Reference Period, the sub-fund has taken into consideration all the principal adverse impacts on sustainability factors (hereinafter "PAIs") listed in Table 1 of Appendix I of the Delegated Regulation (EU) 2022/1288 that are applicable to investments in sovereign or supranational issuers.

The PAIs are intrinsically linked to the Manager's commitment to reduce the negative impact of the Sub-fund's investments by avoiding activities or behaviours that may significantly hinder sustainable and inclusive growth. This commitment is incorporated throughout the research and investment process from its inception.

The first PAI relates to environmental issues and focuses on the greenhouse gas emission intensity of the investee countries. The indicator is an integral component of the country sustainability model that the Manager developed for its sovereign bond strategies. Consequently, it is included in the country's sustainability score and can influence it positively or negatively depending on its level and development compared to other issuer countries.

The second PAI relates to social issues and focuses on issues of social breaches. Our country sustainability model monitors a number of indicators on this issue, such as respect for civil liberties and political rights, respect for human rights and the level of violence within the country, commitment to key labour law conventions, the issue of equal opportunities and distribution of wealth, etc. These different indicators are included in the country's sustainability score and can influence it positively or negatively depending on its level and evolution compared to other emitting countries.

What were the main investments of this financial product?

The list includes the investments that constitute **the largest share of the financial product's investments** during the reference period, namely: 31/12/2022

Largest investments	Sector	% of assets	Country
NEW ZEALAND (GOVERNMENT OF) 4.5% 15/04/2027	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	3.41%	New Zealand
1/2DENMARK NOV29 15.11.2029	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	3.14%	Denmark
1/2CONFERATION JUN32 REGS 27.06.2032	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.88%	Switzerland
3/4 OEST FEB28 20.02.2028	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.71%	Austria
1 1/4 REP SLOVENIA MAR27 22.03.2027	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.52%	Slovenia
EUROPEAN INVESTMENT 0,375 21-260326	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	2.41%	Supranational institutions
1 1/4 CANADA GOV 30 K379 01.06.2030	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.20%	Canada
BELGIUM TREASURY 0,00 22-140923	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.20%	Belgium
FRENCH TREASURY BILL 0,00 22-041023	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.19%	France
EUROPEAN INVEST BANK 1,75 22-150329	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	2.09%	Supranational institutions
0% TREAS FRENCH FEB27 25.02.2027	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.99%	France
FRANCE (GOVT OF) 1.75 17-39 25/06A	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.90%	France
IRELAND 1,35 18-180331	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.89%	Ireland
SWITZERLAND (GOVERNMENT OF) 0.5% 27/05/2030	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.81%	Switzerland
2 3/4 FINLAND JUL28 04.07.2028	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.80%	Finland

Asset allocation describes the share of investments in specific assets.

What was the ratio of sustainability-related investments?

What was the asset allocation?

In the Reference Period, the Sub-fund invested at least 94.11% of its assets in sustainable investments with environmental or social objectives. These sustainable investments (in the table below referred to as "#1 Sustainable") are:

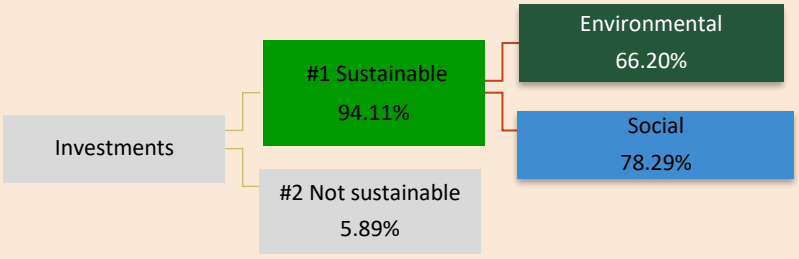
- countries that are committed to respecting fundamental rights (human rights, labour rights, democratic rights, etc.), protecting their environmental capital and promoting the well-being of their present and future generations:
- that have an environmental objective not aligned with the European Taxonomy, due to their more advanced positioning on energy efficiency, climate change, biodiversity and emissions or
- which have a social objective, due to their more advanced positioning on issues related to wealth distribution, population and welfare, health care, education and innovation.

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the following cascade methodology:

- impact instruments such as green and sustainable emissions
- bonds issued by a government whose environmental score is in the top three quartiles of the benchmark universe (environmental objective)
- bonds issued by a government whose social score is in the top three quartiles of the ranking of countries in the reference universe (social objective).

In contrast, the percentages of the two sub-categories of sustainable investments (#1A Sustainable) in the portfolio invested in environmental investments other than those aligned with the taxonomy and social investments may involve some double counting. All countries in the portfolio are analysed against both (i) the environmental aspect and (ii) the social aspect (and therefore may fall into the sub-category "social investments" even if they are also considered environmental investments).

The percentage of the portfolio invested in sustainable investments that meet an environmental and/or social objective (#1A Sustainable) is calculated using the cascade methodology described in the prospectus (section "Environmental, social and governance (ESG) considerations – Sustainability transparency"), which excludes double counting at the cascade level: an investment qualifying as sustainable at the level of a first element of the cascade is not then taken into account at the level of subsequent elements of the cascade.



#1 Sustainable covers sustainable investments with environmental or social objectives.

Category **#2 Not sustainable** includes investments that are not considered sustainable investments.

In which economic sectors were investments made?

Sector	Sub-sector	% of assets	
Public administration and defence; compulsory social security	Public administration and defence; compulsory social security	89.58	%
Activities of extraterritorial organisations and bodies	Activities of extraterritorial organisations and bodies	7.95	%
Financial and insurance activities	Financial service activities, except insurance and pension funding	0.38	%
Derivatives	Derivatives	0.76	%
Cash	Cash	1.33	%

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

To date, the EU Taxonomy does not provide a methodology for determining the alignment of sovereign bonds with the EU Taxonomy. These bonds are therefore not covered by the EU Taxonomy or its eligibility and technical selection criteria.

Has the financial product invested in fossil gas and/or nuclear energy activities in line with the EU Taxonomy[1]?

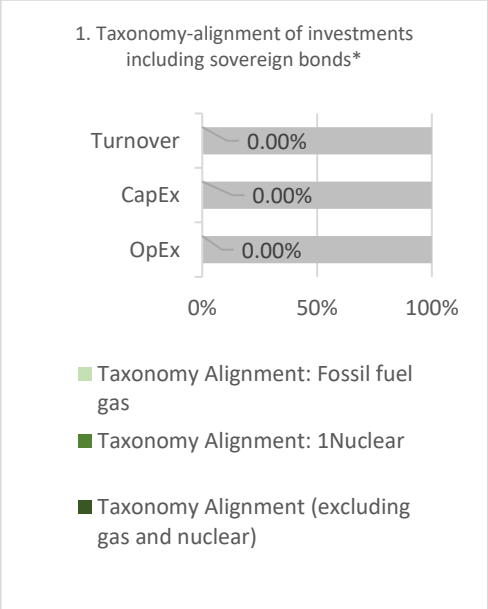
☐ Yes:

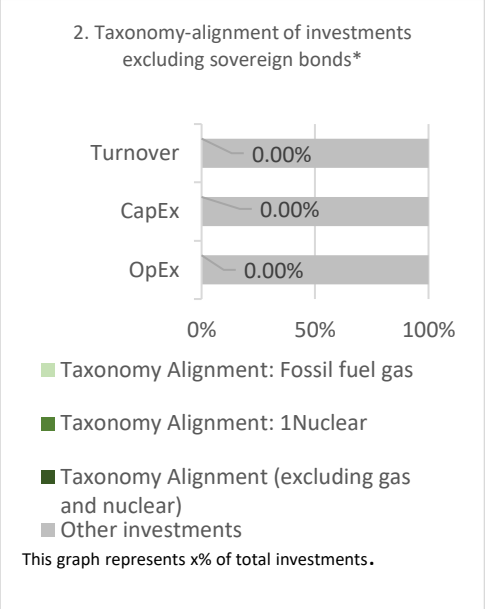
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.





** For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.*

[1] Fossil gas and/or nuclear activities will only be compliant with the EU Taxonomy if they contribute to mitigating climate change ("climate change mitigation") and do not significantly undermine an objective of the EU Taxonomy - see explanatory note in the left margin. The full criteria for fossil gas and nuclear energy economic activities that are in line with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities are economic activities** for which low-carbon alternatives are not yet available and whose greenhouse gas emission levels correspond to the best achievable performance.

- ***What was the share of investments made in transitional and enabling activities?***

  Not applicable

- ***What was the percentage of investments aligned with the EU Taxonomy compared to previous reporting periods?***

  Not applicable


Are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Based on the approach described below, the Sub-fund invested 66.20% of its portfolio in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy over the Reference Period.

The proprietary sustainability model is based on environmental, social and governmental aspects. In the environmental aspect, the proprietary model takes into account energy efficiency, climate change, biodiversity and country emissions. Investing in the highest ranked countries in this aspect therefore means that the Sub-fund has an environmental objective. The scores of the Environment component of the Manager's country model make it possible to rank the member states in descending order. Countries in the bottom quartile of the ranking (rounding up the number of eligible countries) do not have an environmental target. Further information on methodology and data resources is available in the information on this Sub-fund via www.dpamfunds.com (in particular in the sections "Methodologies" and "Data Sources and Data Processing").



What was the share of socially sustainable investments?

Based on the approach described below, the Sub-fund invested 78.29% of its portfolio in sustainable investments with a social objective over the Reference Period.

The proprietary sustainability model is based on environmental, social and governmental aspects. In the social aspect, the proprietary model of sustainability of countries takes into account both current generations (wealth distribution, population, health care) and future generations (education and innovation). Investing in the highest ranked countries in this aspect therefore means that the Sub-

fund has a social objective. Similarly, the scores for the Social component (i.e. present and future generations of the proprietary model) allow the member states to be ranked in descending order. Countries in the bottom quartile of the ranking do not have a social target. Further information on methodology and data resources is available in the information on this Sub-fund via www.dpamfunds.com (in particular in the sections “Methodologies” and “Data Sources and Data Processing”).



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Binding ESG screenings carried out in accordance with the investment strategy described above are applied to the whole Sub-fund, excluding the:

- Liquid assets
- Derivative instruments
- Collective investment schemes

The Sub-fund may invest or hold these types of assets for the purpose of achieving investment objectives, portfolio diversification, liquidity management and risk hedging.

Over the Reference Period, for liquidity management purposes, the Sub-fund was exposed to 1.33% cash. There are no minimum environmental or social guarantees on this allocation.



What actions have been taken to attain the sustainable investment objective during the reference period?

Over the Reference Period, the Sub-fund followed the actions and investment steps as described in its methodology, i.e:

On a semi-annual basis, a normative screening has been established on the basis of compliance with democratic minimums by excluding countries that are not free according to Freedom House and authoritarian according to the democracy index published by the Economist Intelligence Unit.

On a semi-annual basis, the eligible universe was subject to a best-in-class ranking based on the country sustainability model so as to invest only in the top 50% of OECD countries ranked according to the proprietary country sustainability model.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

How has this financial product performed in comparison to the sustainable reference benchmark?

Not applicable

- ***How does the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How has this financial product performed in comparison to the reference benchmark?***

  Not applicable

- ***How has this financial product performed in comparison to the broad market index?***

  Not applicable

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Nome del prodotto: EUROFUNDLUX – CLIMATE CHANGE ESG

Identificativo della persona giuridica: EUROMOBILIARE INTERNATIONAL FUND SICAV

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

Obiettivo di investimento sostenibile

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☒ **Sì**	☐ **No**
☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 97,97%	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur **non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)** _____ % di investimenti sostenibili
☒ in attività considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☒ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** _____ %	☐ con un obiettivo sociale
	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia

In che misura è stato conseguito l'obiettivo di investimento sostenibile di questo prodotto finanziario?

Nel periodo di riferimento (1 gennaio 2022 – 31 Dicembre 2022) questo Comparto ha contribuito a realizzare **l'obiettivo ambientale della mitigazione del cambiamento climatico** secondo quanto previsto nell'informativa pre-contrattuale resa disponibile al cliente ai sensi del SFDR**,** poiché:

(i) ha investito, attraverso una strategia denominata "Impact investing", in misura preponderante in (i) obbligazioni *green* e obbligazioni sostenibili volti a finanziare attività o progetti che perseguono l'obiettivo di generare un impatto ambientale conforme alla mitigazione del cambiamento climatico; e (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile ("SDGs") legati alla protezione dell'ambiente;

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

(ii) non ha effettuato investimenti: (a) in società caratterizzate da comportamenti non conformi ai principali standard internazionali in materia di sostenibilità, o coinvolte in attività che possono comportare significativi rischi ambientali e sociali, con particolare riferimento a investimenti in (i) società responsabili di gravissime violazioni dei diritti umani e dei diritti dei minori, (ii) società che operano nei settori delle armi controverse, del carbone, delle sabbie bituminose, dell'energia nucleare, del tabacco e dei gas e oli combustibili; e in (b) derivati sulle materie prime alimentari.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

Gli Indicatori di Sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali e sociali promosse dal prodotto finanziario.

La prestazione degli indicatori di sostenibilità del Comparto indicati nell'informativa precontrattuale resa disponibile al cliente ai sensi del SFDR, nel periodo di riferimento, è stata la seguente.

INDICATORE	**PERFORMANCE NEL PERIODO DI RIFERIMENTO**
Investimento di almeno il 90% degli attivi del Comparto in (i) obbligazioni green e obbligazioni sostenibili volti a finanziare attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile (SDGs) legati alla salvaguardia dell'ambiente; e (iii) OICR che si qualificano come fondi di investimento di cui all'art. 9 del SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico	97,97% dell'attivo del Comparto investito in obbligazioni *green* e obbligazioni sostenibili volti a finanziare attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; e (ii) strumenti finanziari emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile (SDGs) legati alla salvaguardia dell'ambiente; e (iii) OICR che si qualificano come fondi di investimento di cui all'art. 9 del SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico
nessun investimento in OICR che non si qualificano come fondi di investimento di cui all'art. 9 del Regolamento SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico	Rispettato sul 100% del portafoglio.
soglia massima di investimenti sostenibili con *scoring* ESG inferiore a D- pari al 3%	0% dell'attivo del Comparto in strumenti finanziari con *scoring* ESG inferiore a D-
limite di concentrazione pari al 3% per investimenti sostenibili in singole azioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola azione con *scoring* inferiore a C- o senza *scoring* è stata pari al massimo a 0%
limite di concentrazione pari al 5% per investimenti sostenibili in singole obbligazioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola obbligazione con *scoring* inferiore a C- o senza *scoring* è stata pari al massimo a 0%
Esclusioni di investimenti in:	
(i) società responsabili di gravissime violazioni ai diritti umani e ai diritti dei minori;	Rispettato sul 100% del portafoglio.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

INDICATORE		PERFORMANCE NEL PERIODO DI RIFERIMENTO
(ii)	società che derivano più del 5% del fatturato dalla lavorazione di **sabbie bituminose;**	Rispettato sul 100% del portafoglio.
(iii)	utilities che generano più del 15% del proprio fatturato da fonti **energia nucleare**;	Rispettato sul 100% del portafoglio.
(iv)	società che derivano più del 10% del fatturato dalla fabbricazione di prodotti del **tabacco;**	Rispettato sul 100% del portafoglio.
(v)	società che violano i principi del UN Global Compact e delle Linee guida OCSE	Rispettato sul 100% del portafoglio.
(vi)	società che ottengono l'1% o più dei ricavi dalla prospezione, estrazione, distribuzione o raffinazione del **carbone**	Rispettato sul 100% del portafoglio.
(vii)	società che ottengono il 10% o più dei ricavi dalla prospezione, estrazione, distribuzione o raffinazione di **oli combustibili;**	Rispettato sul 100% del portafoglio.
(viii)	società che ottengono il 50% o più dei ricavi dalla prospezione, estrazione, raffinazione o distribuzione di **gas combustibili;**	Rispettato sul 100% del portafoglio.
(ix)	società che ottengono il 50% o più dei ricavi dalla produzione di **energia elettrica con un'intensità dei gas a effetto serra superiore a 100g CO2/KWh;**	Rispettato sul 100% del portafoglio.
(x)	società che generano ricavi rilevanti da attività legate ad **armi controverse**, ovvero armi che hanno effetti indiscriminati, causano danni indebiti e sono incapaci di distinguere tra obiettivi civili e militari);	Rispettato sul 100% del portafoglio.
(xi)	derivati su materie prime alimentari.	Rispettato sul 100% del portafoglio.

- ***In che modo gli investimenti sostenibili non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile?***

La SGR, nel periodo di riferimento, ha monitorato che gli investimenti sostenibili non arrechino un danno significativo all'obiettivo di investimento sostenibile della mitigazione del cambiamento climatico, adottando una strategia composta da 3 livelli:

(i) applicazione delle esclusioni elencate nella tabella sugli indicatori di sostenibilità di cui alla precedente domanda;

(ii) controllo che l'investimento non sia disallineato rispetto agli SDGs sociali e ambientali dell'ONU. In particolare, la SGR verifica, per ciascun investimento, il punteggio relativo a ciascun SDGs, tramite la consultazione del database fornito dal provider esterno MainStreet Partners, ed esclude dall'universo investibile i titoli che non superano una soglia minima di allineamento per tutti gli SDGs;

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

(iii) verifica che l'investimento non abbia significativi effetti negativi sui fattori di sostenibilità rispetto agli indicatori previsti dalla normativa europea, secondo quanto indicato nella risposta alla domanda successiva.

- *In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?*

Con riferimento agli investimenti sostenibili non allineati alla Tassonomia, la SGR ha preso in considerazione tutti gli indicatori degli effetti negativi sui fattori di sostenibilità previsti dalla normativa come obbligatori per gli investimenti diretti in società e per gli emittenti sovrani e le organizzazioni internazionali, ovvero:

(i) per gli **investimenti diretti in società**: (1) emissioni di GHG; (2) impronta di carbonio; (3) Intensità di GHG delle imprese beneficiarie degli investimenti; (4) esposizione a imprese attive nel settore dei combustibili fossili; (5) quota di consumo e produzione di energia non rinnovabile; (6) intensità di consumo energetico per settore ad alto impatto climatico; (7) attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità; (8) emissioni in acqua; (9) Rapporto tra rifiuti pericolosi e rifiuti radioattivi; (10) violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali; (11) mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali; (12) divario retributivo di genere non corretto; (13) diversità di genere nel consiglio; (14) esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

(ii) per **emittenti sovrani e organizzazioni sovranazionali**: (1) intensità di GHG; e (2) benefici derivanti dagli investimenti soggetti a violazioni sociali.

Il gruppo Credem ha definito dei criteri per stabilire se l'investimento abbia un effetto negativo significativo sul relativo fattore di sostenibilità. Nel fissare tali criteri, il gruppo Credem ha fatto riferimento, ove possibile, al regolamento Delegato UE (EU) 2021/2139.
I titoli che non hanno soddisfatto i predetti criteri sono stati esclusi dall'universo investibile.
Con riferimento agli investimenti allineati alla Tassonomia, la valutazione circa l'assenza di un danno significativo a nessuno degli altri obiettivi ambientali identificati dal Regolamento Tassonomia è avvenuto secondo i criteri stabiliti dalla normativa UE.
In questa fase, in relazione ad alcuni indicatori degli effetti negativi sulla sostenibilità, la disponibilità di dati è ancora molto limitata. Ciò considerato, anche al fine di evitare effetti distorsivi sulla selezione degli investimenti, la SGR ha deciso di non prendere in considerazione gli indicatori per i quali il livello di copertura dei dati non abbia raggiunto almeno un quarto degli emittenti presenti nell'universo investibile.

- *Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:*

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

La SGR ha verificato che ciascun investimento sostenibile fosse allineato con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani, tramite l'acquisizione di dati specifici su questo indicatore dal service provider terzo MainStreet Partners.
I titoli che sono risultati non allineati con tali Linee e Principi Guida sono stati esclusi dall'universo investibile.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

Durante il periodo di riferimento, il Comparto ha tenuto in considerazione i principali effetti negativi sulla sostenibilità degli investimenti unicamente al fine di determinare che tali investimenti non abbiano arrecato un danno significativo a nessun obiettivo di investimento sostenibile, secondo quanto illustrato nelle risposte precedenti.

In aggiunta a quanto sopra, si anticipa che il Comparto, a partire dal 1 gennaio 2023, ha altresì iniziato a prendere considerazione gli effetti negativi degli investimenti effettuati su alcuni specifici parametri di sostenibilità ambientali, al fine, più generale, di migliorare la *performance* del Comparto in relazione ai medesimi.

In particolare, i parametri di sostenibilità individuati, in via prioritaria, sono i seguenti: (a) carbon footprint; (b) emissioni di gas a effetto serra; (c) violazione dei principi del UN Global Compact e le Linee guida OCSE sulle multinazionali; (d) esposizione alle armi controverse; (e) esposizione a società attive nel settore dei combustibili fossili; (f) consumo e produzione di energia non rinnovabile, sulla base di dati forniti da provider terzi.

Pertanto, il prossimo rendiconto darà evidenza anche di tali dati.

L'elenco comprende gli investimenti che hanno costituito la quota maggiore di investimenti del prodotto finanziario durante il periodo di riferimento, ossia: i primi 15 investimenti del Comparto che rappresentato il 32,66% del portafoglio del Comparto.



Quali sono stati i principali investimenti di questo prodotto finanziario?

Investimenti di maggiore entità	Settore	% di attivi	Paese
SCHRODER GB ENERGY TRA- C	Fund	4,16%	Luxembourg
LOF-NATURAL CAP-USD NA	Fund	3,42%	Luxembourg
ITALY BOTS 0% 22-13/10/2023	Government Bonds	3,02%	Italy
ROBECOSAM SUS WATER EQ-I EUR	Fund	3,00%	Luxembourg
M CLIMATE SOLUTIONS-C	Fund	2,93%	France
ITALY BOTS 0% 22-14/11/2023	Government Bonds	2,59%	Italy
ASTRAZENECA PLC	Health Care	2,26%	Great Britain
BNPP EQUITY TRANSITION ICA	Fund	1,85%	Luxembourg
BAYERISCHE MOTOREN WERKE AG	Consumer Discretionary	1,49%	Germany
ANDRITZ AG	Industrials	1,44%	Austria
CRODA INTERNATIONAL PLC	Materials	1,34%	Great Britain
VEOLIA ENVIRONNEMENT	Utilities	1,30%	France
UPM-KYMMENE OYJ	Materials	1,24%	Finland
LVMH MOET HENNESSY LOUIS VUI	Consumer Discretionary	1,23%	France
LOREAL	Consumer Staples	1,20%	France

I Principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Qual è stata la quota degli investimenti in materia di sostenibilità?

- ***Qual è stata l'allocazione degli attivi?***

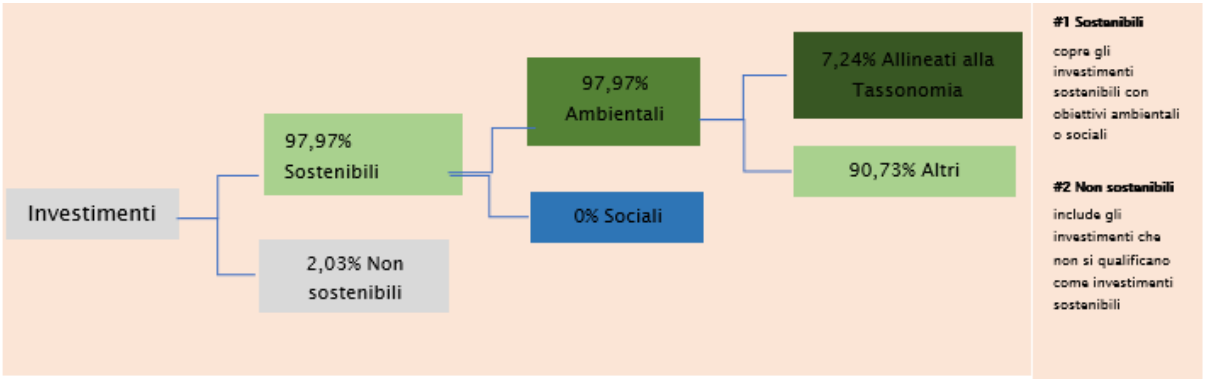
L' Asset allocation
Descrive la quota di investimenti in attività specifiche.

Nel periodo di riferimento, il Comparto ha investito il 97,97% degli attivi in investimenti sostenibili, in forma di (i) obbligazioni *green* e obbligazioni sostenibili in cui è previsto l'impegno di destinare i proventi al finanziamento di attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli SDGs definiti dall'ONU legati alla salvaguardia dell'ambiente; e (iii) da OICVM e FIA aperti classificati come prodotti finanziari di cui all'Articolo 9 del SFDR che abbiamo come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico.

Al fine di contribuire a realizzare l'obiettivo ambientale della mitigazione del cambiamento climatico, il Comparto ha investito, altresì, una quota pari al 7,24% dell'attivo del Comparto in attività economiche allineate alla Tassonomia.

La restante quota del 92,76% è stata impegnata in investimenti che non si qualificano come investimenti sostenibili, o in depositi di denaro o liquidità o derivati.

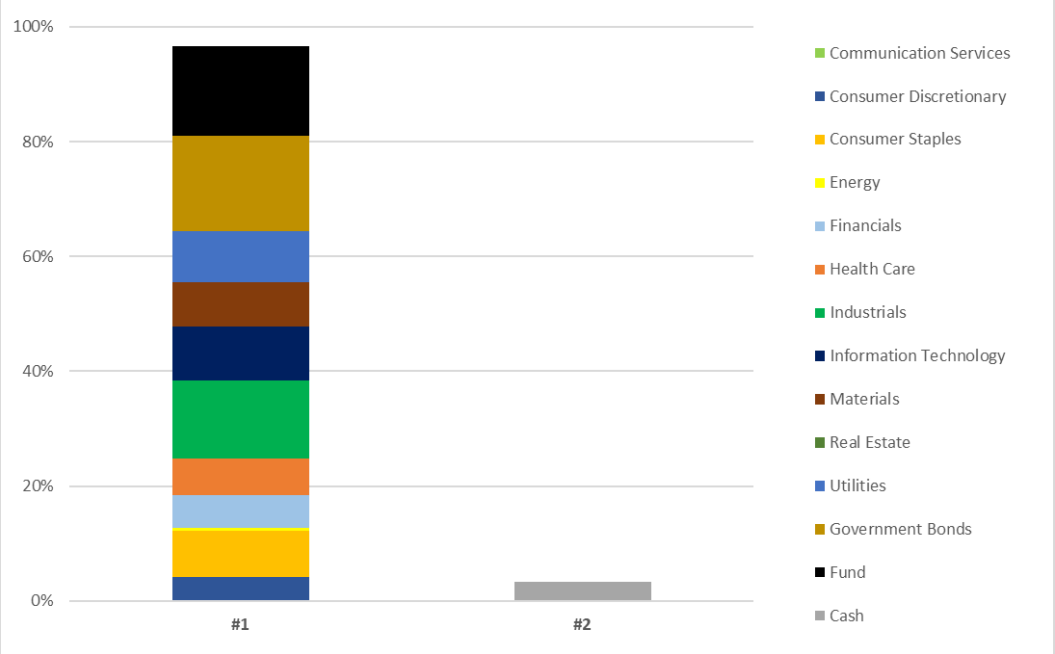
Al fine di determinare la quota degli investimenti in attività economiche sostenibili allineate alla Tassonomia UE nel periodo di riferimento, la SGR ha utilizzato i dati forniti da *provider terzi*. Tenuto conto che, nell'anno 2022, gli emittenti non erano soggetti a obblighi di *disclosure* in relazione ai dati connessi all'allineamento alla Tassonomia, ai fini del predetto calcolo, i *provider terzi* hanno fatto ricorso, in via prevalente, a informazioni equivalenti ottenute direttamente da tali emittenti o da altre fonti, compresi dati rinvenienti da stime e valutazioni effettuate a partire dai dati disponibili. Ad ogni modo, le stime sono state effettuate dai *provider terzi* sulla base di una metodologia ragionata e secondo criteri di prudenza.



Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

- ***In quali settori economici sono stati effettuati gli investimenti?***



Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla Tassonomia dell'UE?

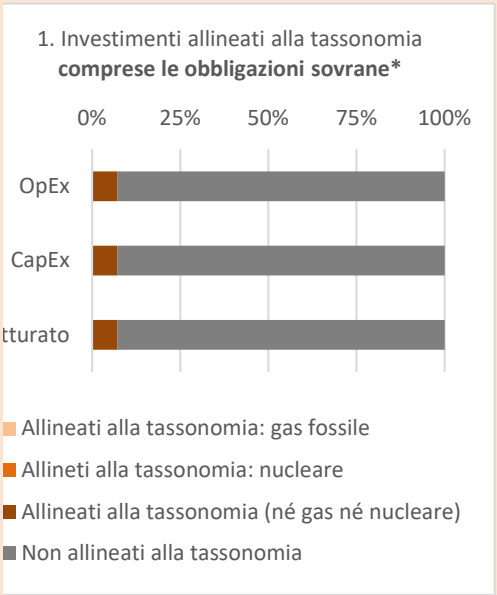
Il Comparto ha investito il 7,24% degli attivi in investimenti sostenibili con un obiettivo ambientale allineati alla Tassonomia dell'UE.

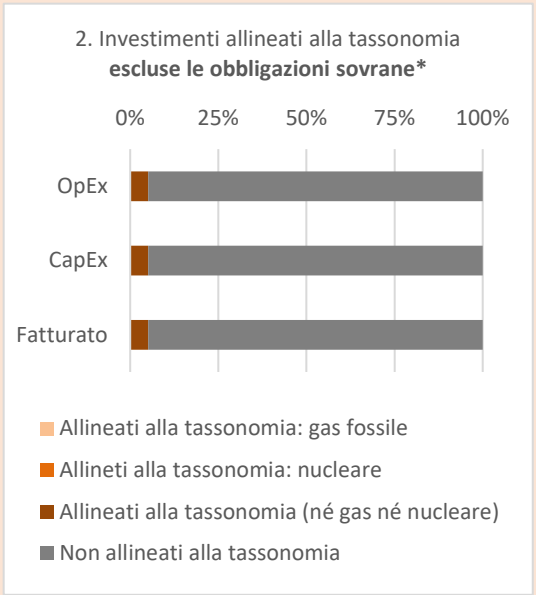
- ***Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?***

Gas Fossile	Energia Nucleare
SI ☐ NO ☒	SI ☐ NO ☒

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

Informazioni aggiuntive (non certificate) (segue)

Trasparenza della promozione delle caratteristiche ambientali o sociali (art. 11 Reg UE 2019/2088 SFDR) (segue)

Le **attività abilitanti** consentono direttamene ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale. Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

- ***Qual era la quota degli investimenti effettuata in attività transitorie e abilitanti?***

In linea con quanto indicato nell'informativa pre-contrattuale, il Comparto non ha effettuato investimenti in attività transitorie e abilitanti nel periodo di riferimento.



Quale era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il Comparto ha investito 92,76% degli attivi in investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE.



Quali investimenti erano compresi nella categoria "Non sostenibili", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Non sostenibili" comprende gli investimenti in depositi di denaro, liquidità e derivati.



I depositi di denaro e la liquidità, che hanno costituito una parte residuale del portafoglio pari a 2,03%, hanno avuto finalità di assicurare un minimo grado di liquidità al Comparto.
Il portafoglio ha fatto ricorso anche a derivati con la finalità di copertura rispetto ad alcuni dei rischi cui il portafoglio del Comparto è stato esposto.



Quali azioni sono state adottate per raggiungere l'obiettivo di investimento sostenibile durante il periodo di riferimento?

Al fine di ritenere soddisfatte le caratteristiche ambientali e sociali promosse dal Comparto, la SGR ha condotto un'attività di monitoraggio nei confronti degli emittenti e degli *asset manager* degli OICR in cui il Comparto ha investito durante il periodo di riferimento, in modo da assicurare il costante rispetto degli indicatori di sostenibilità.

Nome del prodotto: EUROMOBILIARE GREEN 4 PLANET

Identificativo della persona giuridica: EUROMOBILIARE ASSET MANAGEMENT SGR

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecostostenibili.** Tale regolamento non comprende un elenco di attività economiche socialmente sostenibili. Gli investimenti con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia

Obiettivo di investimento sostenibile

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?	
•• ☒ **Sì**	•• ☐ **No**
☒ Ha effettuato **investimenti sostenibili con un obiettivo ambientale:** 96,70 % ☒ in attività considerate ecosostenibili conformemente alla ☒ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale:** _____ %	☐ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur **non avendo come obiettivo un investimento sostenibile, aveva una quota del(lo)** _____ % di investimenti sostenibili ☐ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE ☐ con un obiettivo sociale ☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

In che misura è stato conseguito l'obiettivo di investimento sostenibile di questo prodotto finanziario?

Nel periodo di riferimento (1 gennaio 2022 – 31 Dicembre 2022) questo Fondo ha contribuito a realizzare **l'obiettivo ambientale della mitigazione del cambiamento climatico** secondo quanto previsto nell'informativa pre-contrattuale resa disponibile al cliente ai sensi del SFDR**,** poiché:

(i) ha investito, in misura preponderante in (i) *green bond* e *sustainability bond* volti a finanziare attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; e (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile ("SDGs") legati alla salvaguardia dell'ambiente;

(ii) ha effettuato investimenti in misura pari al 27,35% degli attivi del Fondo in attività economiche allineate alla Tassonomia ivi comprese, a titolo esemplificativo, la produzione di elettricità da energia eolica e l'installazione, la manutenzione e la riparazione di attrezzature per l'efficienza energetica

(iii) non ha effettuato investimenti: (a) in società caratterizzate da comportamenti non conformi ai principali standard internazionali in materia di sostenibilità, o coinvolte in attività che possono comportare significativi rischi ambientali e sociali, con particolare riferimento a investimenti in (i) società responsabili di gravissime violazioni dei diritti umani e dei diritti dei minori, (ii) società che operano nei settori delle armi controverse, del carbone, delle sabbie bituminose, dell'energia nucleare, del tabacco e dei gas e oli combustibili; e in (b) derivati sulle materie prime alimentari.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

La prestazione degli indicatori di sostenibilità del Fondo indicati nell'informativa precontrattuale resa disponibile al cliente ai sensi del SFDR, nel periodo di riferimento, è stata la seguente. Per completezza, si segnala che l'indicatore relativo alla soglia minima di investimenti in prodotti allineati alla Tassonomia è stato introdotto dal 1 gennaio 2023 e, pertanto, non è stato indicato in questa tabella perché non applicabile al periodo di riferimento 1 gennaio – 31 dicembre 2022.

Gli Indicatori di Sostenibilità misurano in che modo sono rispettate le caratteristiche ambientali e sociali promosse dal prodotto finanziario.

INDICATORE	**PERFORMANCE NEL PERIODO DI RIFERIMENTO**
Investimento di almeno il 90% degli attivi del Fondo in (i) green bond e sustainability bond volti a finanziare attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile (SDGs) legati alla salvaguardia dell'ambiente; e (iii) OICR che si qualificano come fondi di investimento di cui all'art. 9 del SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico	96,70% dell'attivo del Fondo investito in *green bond* e *sustainability bond* volti a finanziare attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; e (ii) strumenti finanziari emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile (SDGs) legati alla salvaguardia dell'ambiente; e (iii) OICR che si qualificano come fondi di investimento di cui all'art. 9 del SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico
nessun investimento in OICR che non si qualificano come fondi di investimento di cui all'art. 9 del Regolamento SFDR che perseguono come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico	Rispettato sul 100% del portafoglio.
soglia massima di investimenti sostenibili con *scoring* ESG inferiore a D- pari al 3%	0% dell'attivo del Fondo in strumenti finanziari con *scoring* ESG inferiore a D-
limite di concentrazione pari al 3% per investimenti sostenibili in singole azioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola azione con *scoring* inferiore a C- o senza *scoring* è stata pari al massimo a 0%
limite di concentrazione pari al 5% per investimenti sostenibili in singole obbligazioni con *scoring* inferiore a C- o senza *scoring*	esposizione verso singola obbligazione con *scoring* inferiore a C- o senza *scoring* è stata pari al massimo a 0%
Esclusioni di investimenti in:	
(i) società responsabili di gravissime violazioni ai diritti umani e ai diritti dei minori;	Rispettato sul 100% del portafoglio.
(ii) società che derivano più del 5% del fatturato dalla lavorazione di **sabbie bituminose;**	Rispettato sul 100% del portafoglio.
(iii) utilities che generano più del 15% del proprio fatturato da fonti **energia nucleare**;	Rispettato sul 100% del portafoglio.
(iv) società che derivano più del 10% del fatturato dalla fabbricazione di prodotti del **tabacco;**	Rispettato sul 100% del portafoglio.
(v) società che violano i principi del UN Global Compact e delle Linee guida OCSE	Rispettato sul 100% del portafoglio.

(vi)	società che ottengono l'1% o più dei ricavi dalla prospezione, estrazione, distribuzione o raffinazione del **carbone**	Rispettato sul 100% del portafoglio.
(vii)	società che ottengono il 10% o più dei ricavi dalla prospezione, estrazione, distribuzione o raffinazione di **oli combustibili;**	Rispettato sul 100% del portafoglio.
(viii)	società che ottengono il 50% o più dei ricavi dalla prospezione, estrazione, raffinazione o distribuzione di **gas combustibili;**	Rispettato sul 100% del portafoglio.
(ix)	società che ottengono il 50% o più dei ricavi dalla produzione di **energia elettrica con un'intensità dei gas a effetto serra superiore a 100g CO2/KWh;**	Rispettato sul 100% del portafoglio.
(x)	società che generano ricavi rilevanti da attività legate ad **armi controverse**, ovvero armi che hanno effetti indiscriminati, causano danni indebiti e sono incapaci di distinguere tra obiettivi civili e militari);	Rispettato sul 100% del portafoglio.
(xi)	derivati su materie prime alimentari.	Rispettato sul 100% del portafoglio.

- ***In che modo gli investimenti sostenibili non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile?***

  La SGR, nel periodo di riferimento, ha monitorato che gli investimenti sostenibili non arrechino un danno significativo all'obiettivo di investimento sostenibile della mitigazione del cambiamento climatico, adottando una strategia composta da 3 livelli:

  (i) applicazione delle esclusioni elencate nella sezione sugli indicatori di sostenibilità, sub (v);

  (ii) controllo che l'investimento non sia disallineato rispetto agli SDGs sociali e ambientali dell'ONU. In particolare, la SGR verifica, per ciascun investimento, il punteggio relativo a ciascun SDGs, tramite la consultazione del database fornito dal provider esterno MainStreet Partners, ed esclude dall'universo investibile i titoli che non superano una soglia minima di allineamento per tutti gli SDGs;

  (iii) verifica che l'investimento non abbia significativi effetti negativi sui fattori di sostenibilità rispetto agli indicatori previsti dalla normativa europea, secondo quanto indicato nella risposta alla domanda successiva.

- *In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?*

  Con riferimento agli investimenti sostenibili non allineati alla Tassonomia, la SGR ha preso in considerazione tutti gli indicatori degli effetti negativi sui fattori di sostenibilità previsti dalla normativa come obbligatori per gli investimenti diretti in società e per gli emittenti sovrani e le organizzazioni internazionali, ovvero:

  (i) per gli **investimenti diretti in società**: (1) emissioni di GHG; (2) impronta di carbonio; (3) Intensità di GHG delle imprese beneficiarie degli investimenti; (4) esposizione a imprese attive nel settore dei combustibili fossili; (5) quota di consumo e produzione di energia non rinnovabile; (6) intensità di consumo energetico per settore ad alto impatto climatico; (7) attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità; (8) emissioni in acqua; (9) Rapporto tra rifiuti pericolosi e rifiuti radioattivi; (10) violazioni dei principi del Global Compact delle Nazioni Unite e delle linee guida

dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali; (11) mancanza di procedure e di meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali; (12) divario retributivo di genere non corretto; (13) diversità di genere nel consiglio; (14) esposizione ad armi controverse (mine antiuomo, munizioni a grappolo, armi chimiche e armi biologiche).

(ii) per **emittenti sovrani e organizzazioni sovranazionali**: (1) intensità di GHG; e (2) benefici derivanti dagli investimenti soggetti a violazioni sociali.

Il gruppo Credem ha definito dei criteri per stabilire se l'investimento abbia un effetto negativo significativo sul relativo fattore di sostenibilità. Nel fissare tali criteri, il gruppo Credem ha fatto riferimento, ove possibile, al regolamento Delegato UE (EU) 2021/2139.
I titoli che non hanno soddisfatto i predetti criteri sono stati esclusi dall'universo investibile.
Con riferimento agli investimenti allineati alla Tassonomia, la valutazione circa l'assenza di un danno significativo a nessuno degli altri obiettivi ambientali identificati dal Regolamento Tassonomia è avvenuto secondo i criteri stabiliti dalla normativa UE.
In questa fase, in relazione ad alcuni indicatori degli effetti negativi sulla sostenibilità, la disponibilità di dati è ancora molto limitata. Ciò considerato, anche al fine di evitare effetti distorsivi sulla selezione degli investimenti, la SGR ha deciso di non prendere in considerazione gli indicatori per i quali il livello di copertura dei dati non abbia raggiunto almeno un quarto degli emittenti presenti nell'universo investibile.

- *Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:*

  La SGR ha verificato che ciascun investimento sostenibile fosse allineato con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani, tramite l'acquisizione di dati specifici su questo indicatore dal service provider terzo MainStreet Partners.
  I titoli che sono risultati non allineati con tali Linee e Principi Guida sono stati esclusi dall'universo investibile.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I Principali effetti negativi sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Durante il periodo di riferimento, il Fondo ha tenuto in considerazione i principali effetti negativi sulla sostenibilità degli investimenti unicamente al fine di determinare che tali investimenti non abbiano arrecato un danno significativo a nessun obiettivo di investimento sostenibile, secondo quanto illustrato nelle risposte precedenti.

In aggiunta a quanto sopra, si anticipa che il Fondo, a partire dal 1 gennaio 2023, ha altresì iniziato a prendere considerazione gli effetti negativi degli investimenti effettuati su alcuni specifici parametri di sostenibilità ambientali, al fine, più generale, di migliorare la *performance* del Fondo in relazione ai medesimi.

In particolare, i parametri di sostenibilità individuati, in via prioritaria, sono i seguenti: (a) carbon footprint; (b) emissioni di gas a effetto serra; (c) violazione dei principi del UN Global Compact e le Linee guida OCSE sulle multinazionali; (d) esposizione alle armi controverse; (e) esposizione a società attive nel settore dei combustibili fossili; (f) consumo e produzione di energia non rinnovabile, sulla base di dati forniti da provider terzi.

Pertanto, il prossimo rendiconto darà evidenza anche di tali dati.

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la quota maggiore di investimenti del prodotto finanziario durante il periodo di riferimento, ossia: i primi 15 investimenti del Fondo che rappresentato il 26,93% del portafoglio del Fondo.

Investimenti di maggiore entità	Settore	% di attivi	Paese
BOT ZC ST23 A EUR	Government Bonds	2,48%	Italy
EIB GREEN BOND TF 0.	Government Bonds	2,33%	Luxembourg
SFILFR 0 11/23/28	Government Bonds	2,09%	France
KFW GREEN BOND TF 0%	Financials	1,94%	Germany
BASQUE 0 1/4 04/30/31	Government Bonds	1,89%	Spain
HESLAN 0 3/8 06/04/29	Financials	1,89%	Germany
IRISH GOVT 1.35% 18-18 03 2031	Government Bonds	1,88%	Ireland
OSEOFI 0 05/25/28	Government Bonds	1,70%	France
MADRID 2.822 10/31/29	Government Bonds	1,62%	Spain
Germany 1.3000% OBL Oct 2027	Government Bonds	1,60%	Germany
KDB 0 07/10/24	Financials	1,59%	South Korea
TENNET HLD BV 1.75% 15-04 06 27	Utilities	1,56%	Netherlands
SOGRPR 0.3 09/02/36	Government Bonds	1,49%	France
CORP ANDINA 0.625% 19-20 11 26	Government Bonds	1,47%	Venezuela
MADRID 0.16 07/30/28	Government Bonds	1,40%	Spain

Qual è stata la quota degli investimenti in materia di sostenibilità?

L' Asset allocation Descrive la quota di investimenti in attività specifiche.

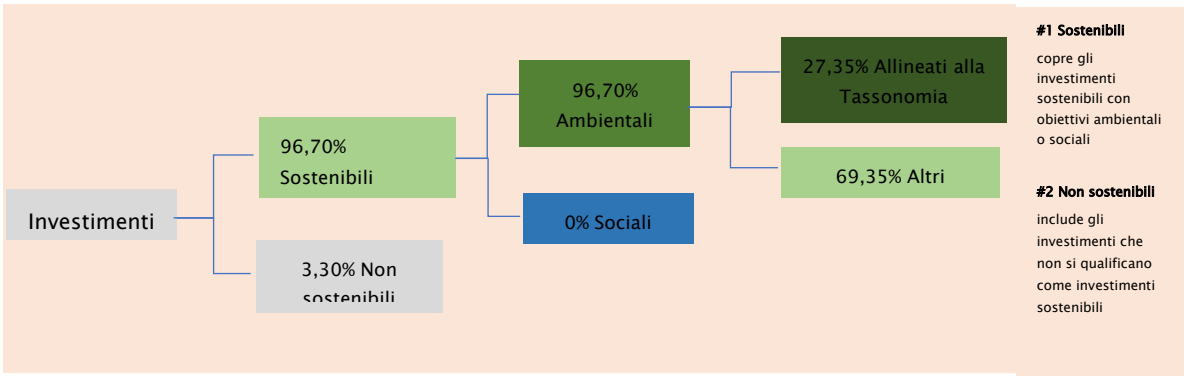
- ***Qual è stata l'allocazione degli attivi?***

Nel periodo di riferimento, il Fondo ha investito il 96,70% degli attivi in investimenti sostenibili, in forma di (i) *green bond* e *sustainability bond* in cui è previsto l'impegno di destinare i proventi al finanziamento di attività o progetti che perseguono l'obiettivo della mitigazione del cambiamento climatico; (ii) strumenti finanziari di tipo azionario e/o obbligazionario emessi da società che contribuiscono al raggiungimento degli Obiettivi di Sviluppo Sostenibile (SGDs) definiti dall'ONU legati alla salvaguardia dell'ambiente; e (iii) da OICVM e FIA aperti classificati come prodotti finanziari di cui all'Articolo 9 del SFDR che abbiamo come obiettivo di investimento sostenibile la mitigazione del cambiamento climatico.

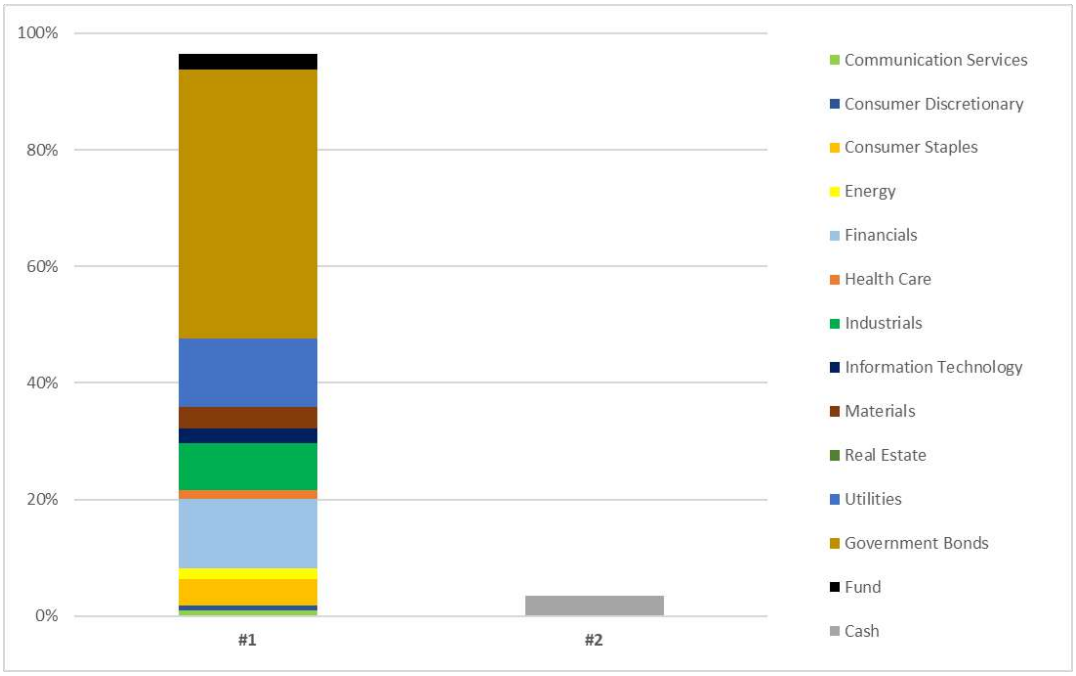
Al fine di contribuire a realizzare l'obiettivo ambientale della mitigazione del cambiamento climatico, il Fondo ha investito, altresì, una quota pari al 27,35% dell'attivo del Fondo in attività economiche allineate alla Tassonomia.

La restante quota del 72,65% è stata impegnata in investimenti che non si qualificano come investimenti sostenibili, o in depositi di denaro o liquidità o derivati.

Al fine di determinare la quota degli investimenti in attività economiche sostenibili allineate alla Tassonomia UE nel periodo di riferimento, la SGR ha utilizzato i dati forniti da *provider terzi*. Tenuto conto che, nell'anno 2022, gli emittenti non erano soggetti a obblighi di *disclosure* in relazione ai dati connessi all'allineamento alla Tassonomia, ai fini del predetto calcolo, i *provider terzi* hanno fatto ricorso, in via prevalente, a informazioni equivalenti ottenute direttamente da tali emittenti o da altre fonti, compresi dati rinvenienti da stime e valutazioni effettuate a partire dai dati disponibili. Ad ogni modo, le stime sono state effettuate dai *provider terzi* sulla base di una metodologia ragionata e secondo criteri di prudenza.



- ***In quali settori economici sono stati effettuati gli investimenti?***



In che misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Il Fondo ha investito il 27,35% degli attivi in investimenti sostenibili con un obiettivo ambientale allineati alla tassonomia dell'UE.

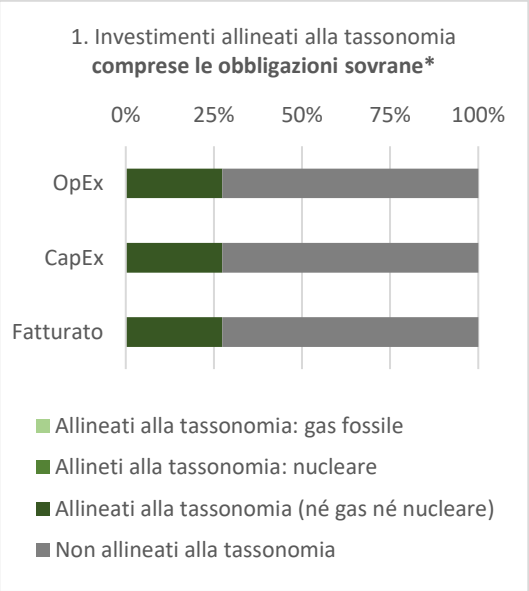
- ***Il prodotto finanziario ha investito in attività connesse al gas fossile e/o all'energia nucleare che erano conformi alla tassonomia dell'UE?***

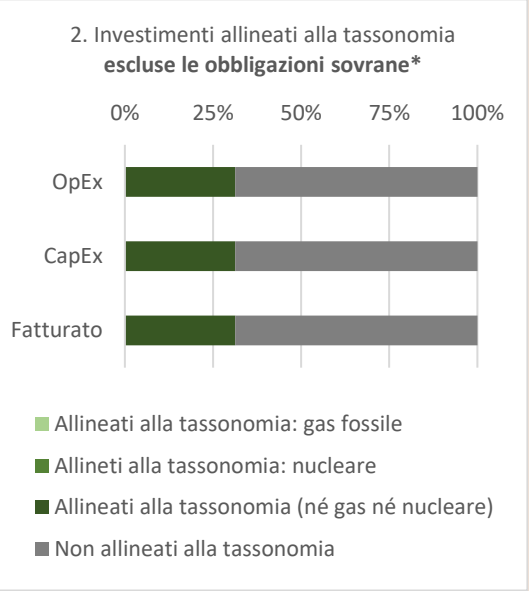
Gas Fossile	Energia Nucleare
SI ☐ NO ☒	SI ☐ NO ☒

Le attività allineate alla tassonomia sono espresse in percentuale di:

- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane* alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.





*Ai fini dei grafici di cui sopra, per «obbligazioni sovrane» si intendono tutte le esposizioni sovrane.

Le **attività abilitanti** consentono direttamene ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

- ***Qual era la quota degli investimenti effettuata in attività transitorie e abilitanti?***
  In linea con quanto indicato nell'informativa pre-contrattuale, il fondo non ha effettuato investimenti in attività transitorie e abilitanti nel periodo di riferimento.

Quale era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Il Fondo ha investito 72,65% degli attivi in investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE.

Quali investimenti erano compresi nella categoria "Non sostenibili", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale?

La categoria "Non sostenibili" comprende gli investimenti in depositi di denaro, liquidità e derivati.

I depositi di denaro e la liquidità, che hanno costituito una parte residuale del portafoglio pari a 3,30%, hanno avuto finalità di assicurare un minimo grado di liquidità al Fondo.
Il portafoglio ha fatto ricorso anche a derivati con la finalità di copertura rispetto ad alcuni dei rischi cui il portafoglio del Fondo è stato esposto.

Quali azioni sono state adottate per raggiungere l'obiettivo di investimento sostenibile durante il periodo di riferimento?

Al fine di ritenere soddisfatte le caratteristiche ambientali e sociali promosse dal Fondo, la SGR ha condotto un'attività di monitoraggio nei confronti degli emittenti e degli *asset manager* degli OICR in cui il Fondo ha investito durante il periodo di riferimento, in modo da assicurare il costante rispetto degli indicatori di sostenibilità.

- **How did this financial product perform compared with the broad market index?**
  N/A

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product Name: M&G (Lux) Investment Funds 1 - M&G (Lux) Sustainable Allocation Fund
Legal Entity Identifier: 549300G7EE7U31UKHL78

Sustainable investment objective

Did this financial product have a sustainable investment objective?

● ● [x] **Yes** ● ● [ ] **No**

[x] It made **sustainable investments with an environmental objective**: 67.2%

- [x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

[x] It made **sustainable investments with a social objective**: 30.12%

[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments

- [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- [ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] with a social objective

[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation, in line with its sustainable investment objective. The strength of the fund's performance against this objective is evaluated in the sustainability indicators section below.

The alignment percentage indicated in the graphic below shows the allocation between sustainable investments made in pursuit of the sustainable investment objective and "Other" investments.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- **How did the sustainability indicators perform?**

  As part of the climate focus of the fund, we aim to assess our holdings not only relative to their current carbon emissions and emission intensity but also on the basis of their climate transparency, governance and ambition as represented by clear reduction targets.

  It is encouraging to see that a significant amount of holdings now have SBTi-aligned targets. These organisations are increasingly embedding sustainability-led approaches within their organisations that could help prevent the worst impacts of climate change and future-proof their business growth.

  It also encouraging to see that over half of fund holdings now consist of positive impact assets. Our allocation to attractively valued impact assets has increased in recent years as the pool of eligible investments has grown as companies and governments strive to adapt products and solutions to meet the world's social and environmental challenges.

  The fund's declining weighted average carbon emissions intensity reflects the decisions made in the investment process and growing climate data accessibility to inform our decisions. The fund also holds several investments in renewable energy infrastructure and solution providers.

Sustainability Indicator Name	Value	Eligibility	Coverage
As at - 31 March 2023			
Change in CO2 emissions intensity over the previous three year period CAGR Corporate	-8.24 CAGR 3Y	71.60%	64.14%
Change in CO2 emissions intensity over the previous three year period CAGR Sovereign	-3.53 CAGR 3Y	21.33%	73.90%
Percentage (%) of sovereigns party to the Paris Agreement	73.90%	21.33%	73.90%
Weighted average carbon intensity (WACI) for the fund	59.14 tCO2e /€m sales	71.60%	88.44%
Percentage (%) of NAV with ratified Science-Based Targets (SBTs)	26.44%	83.46%	50.89%
Percentage (%) of corporate issuers participating in the Carbon Disclosure Project (CDP)	68.14%	71.60%	89.61%
Tonnes of CO2 emissions avoided by positive impact investments	385911148 tCO2e	83.47%	17.23%
Percentage (%) of sovereign ranked above the Social Progress Index (SPI) Global Average, which assesses how well a society provides its people with material needs, and does not have a negative 5 year trend	96.53%	21.33%	96.53%
Number of underserved people reached including patients treated, customers served etc. by positive impact investments	110.8 Million people	83.47%	26.60%
Percentage (%) of NAV invested in positive impact assets in the Fund	52.70%	100%	100%

- **...and compared to previous periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments not cause significant harm to any sustainable investment objective?**
  Sustainable investments that the Fund made did not cause significant harm to any environmental or social sustainable investment objective as they passed a series of tests, including:
  1. Whether they represent significant exposure to businesses the Investment Manager considers harmful.
  2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas).
  3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures were compatible with sustainable investment.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**
  The Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available (i.e. not just for sustainable investments), which allows the Investment Manager to make informed investment decisions.

  The Fund's consideration of Principal Adverse Impact indicators was used as part of understanding the operating practices of the investments purchased by the Fund. Investments held by the Fund were then subject to ongoing monitoring and a quarterly review process.

  Further information on the Principal Adverse Impact indicators which were taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**
  All investments purchased by the Fund passed the Investment Manager's good governance tests, and in addition, sustainable investments also passed tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.



How did this financial product consider principal adverse impacts on sustainability factors?

For sustainable investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process included consideration of Principal Adverse Impact indicators for all investments where data was available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Fund.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

Largest investments	Sector	% Assets	Country
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	5.71%	SP
TREASURY BOND	Public administration and defence; compulsory social security	5.65%	US
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	2.54%	DE
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	2.35%	SP
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	2.17%	CL
COLOMBIA (REPUBLIC OF)	Public administration and defence; compulsory social security	2.11%	CO
INTERNATIONAL BANK FOR RECONSTRUCT	Activities of extraterritorial organisations and bodies	1.82%	SP
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.70%	DE
GREENCOAT RENEWABLES PLC	Financial and insurance activities	1.65%	IE
INTER-AMERICAN DEVELOPMENT BANK	Activities of extraterritorial organisations and bodies	1.58%	SP
OCTOPUS RENEWABLES INFRASTRUCTURE	Financial and insurance activities	1.58%	GB
UK CONV GILT	Public administration and defence; compulsory social security	1.39%	GB
GERMANY (FEDERAL REPUBLIC OF)	Public administration and defence; compulsory social security	1.31%	DE
CHILE (REPUBLIC OF)	Public administration and defence; compulsory social security	1.13%	CL
EUROPEAN INVESTMENT BANK	Financial and insurance activities	1.11%	SP

What was the proportion of sustainability-related investments?

In the SFDR Level 2 Pre-Contractual Disclosure (annex to the Fund Prospectus) the Fund committed to a minimum of 70% of the Fund to be invested in sustainable investments, in pursuit of the sustainable investment objective, with at least 20% in sustainable investments with a social objective and at least 30% in sustainable investments with an environmental objective.

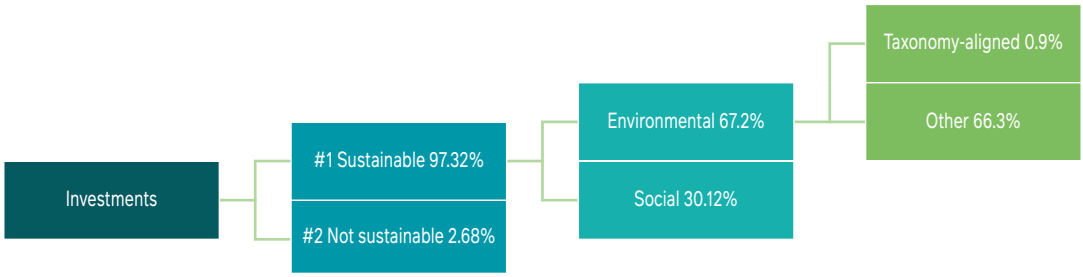
As of 31 March 2023, 97.32% of the Net Asset Value of the Fund was in sustainable investments, which is above the minimum commitment of 70%. Whilst the fund did not commit to invest in investments aligned to the EU Taxonomy, 0.90% of the sustainable investments were aligned to the EU Taxonomy. 66.30% related to investments with environmental objectives and 30.12% related to investments with a social objective.

2.68 % of the Fund is comprised of "not sustainable" investments.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The graphic below provides an overview of the asset allocation.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

In which economic sectors were the investments made?

The investment breakdown uses NACE (Nomenclature of Economic Activities) and is expressed as a % of Net Asset Value (NAV).

Economic sector	% Assets
Financial and insurance activities	21.55%
Public administration and defence; compulsory social security	20.47%
Manufacturing	18.59%
Activities of extraterritorial organisations and bodies	16.55%
Information and communication	5.85%
Other	5.76%
Real estate activities	2.42%
Electricity, gas, steam and air conditioning supply	2.32%
Human health and social work activities	1.97%
Construction	1.92%
Wholesale and retail trade; repair of motor vehicles and motorcycles	1.18%
Water supply; sewerage, waste management and remediation activities	0.53%
Education	0.45%
Professional, scientific and technical activities	0.44%

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

Whilst the minimum mandatory allocation to Taxonomy-aligned sustainable investments is 0%, the Fund is permitted to allocate to such investments, which would form part of its overall allocation to sustainable investments with environmental objectives.

The Fund held 0.90% in Taxonomy-aligned sustainable investments during the reference period. This percentage is determined by taking the quarter end figure for each quarter in the reference period and averaging it. The information was obtained from public disclosures.

No assurance from an auditor, third party or review was undertaken on the EU Taxonomy data.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

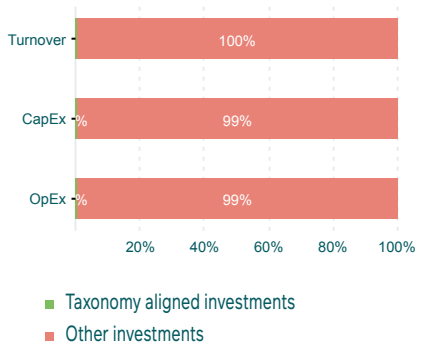
☒ No

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

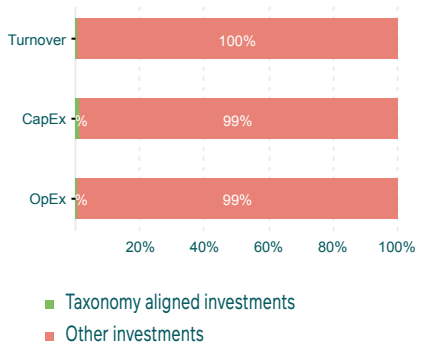
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show the percentage of investments that were 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 76% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*
*** As there is no Taxonomy-alignment, there is no impact on the graph if sovereign bonds are excluded (i.e. the percentage of Taxonomy-aligned investments remains 0%) and the Management Company therefore believes that there is no need to mention this information.*

- **What was the share of investments made in transitional and enabling activities?**
  The share of the Fund's investments made in transitional activities was 0.02% and in enabling activities was 0.13% over the period. This compares to a minimum percentage commitment of 0% stated in the Fund's precontractual disclosure.

Activity	Percentage Investments
Share of transitional activities	0.02%
Share of enabling activities	0.13%

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  The Fund is not yet able to provide comparison to a previous reporting period as this is the Fund's first SFDR Level 2 Periodic Report. The Fund will provide historic comparison in the next Periodic Report.


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?
The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 66.30%. This compares to a minimum percentage commitment of 30% in environmentally sustainable investments (i.e., both aligned to the EU Taxonomy and not) stated in the Fund's precontractual disclosure.



What was the share of socially sustainable investments?
The share of sustainable investments with a social objective was 30.12%. This compares to a minimum percentage commitment of 20% stated in the Fund's precontractual disclosure.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?
During the reference period the Fund held varying levels of cash, near cash, FX and FX forwards as "Other" investments, for any purpose permitted by the Fund's investment policy. No minimum environmental or social safeguards are applied.

As part of the fund merger between the Fund and M&G (Lux) Conservative Allocation Fund on 21 October 2022, two sanctioned Russian-listed securities were transferred into the beneficial ownership of the Fund. As both funds have been prohibited from selling these assets, they have remained in a custody account of M&G (Lux) Conservative Allocation Fund.



What actions have been taken to attain the sustainable investment objective during the reference period?
The Fund contributed to a sustainable economy by investing in assets supporting environmental and/or social goals, in particular climate change mitigation. Its compliance with the same is reported in the sustainability indicators above.

ESG engagements are also a key focus for the fund in order to help investment companies improve their impact and sustainability standards, to support the fund's sustainable investment objective. An example of an engagement carried out in 2022 was with Ball Corporation, the world's leading aluminium packaging specialist. The objective of the engagement was to encourage the firm's decarbonisation plans and push for increased ambition around scope 3 emissions. We met with the company's chief sustainability officer in May 2022 to discuss these matters. The company announced that it will be publishing a recycling roadmap in September 2022, aimed at ensuring a 1.5°C pathway for its Scope 3 emissions.

We divested from LG Corp in the beginning of 2023 following a downgrade in its MSCI ESG score due to governance related issues.



How did this financial product perform compared to the reference sustainable benchmark?
N/A. No reference benchmark was designated for the purpose of attaining the Fund's sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- **How did the reference benchmark differ from a broad market index?**
  N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**
  N/A

- **How did this financial product perform compared with the reference benchmark?**
  N/A

- **How did this financial product perform compared with the broad market index?**
  N/A

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **MIROVA FUNDS - Mirova Euro Green and Sustainable Corporate Bond Fund**

Legal entity identifier: 549300NGBY43BJCJ2T38

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?	
●● [X] **Yes**	●● [ ] **No**
[X] It made **sustainable investments with an environmental objective:** 67.23%	[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
[X] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[X] It made **sustainable investments with a social objective:** 22.71%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the Fund is to invest in bonds from corporate issuers:

- whose economics activities contribute, or are to risingly contribute, positively through their products, services and/or practices to the achievement of one or

more of the United Nations Sustainable Development Goals (the “SDGs”), and/or –

- use of proceeds bonds whose purpose is to finance projects with a positive environmental and/or social impacts (green, social, green and social bonds).

The Fund aims at contributing to keeping the maximum global temperature rise to a maximum 2 degrees Celsius.

The Regulation (EU) 2020/852 (the “Taxonomy Regulation”) aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. This Fund may make investments in bonds issued by corporates or in use-of proceeds bonds which proceeds will be applied to finance) economic activities that contribute to the environmental objectives set out in the Article 9 of the Taxonomy Regulation: (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

To date, only two of the environmental objectives have been defined and only a limited number of activities are eligible to be screened against the EU technical screening criteria.

The alignment of the economics activities of the issuer (or financed by the use-of proceeds bonds) with the above objectives is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. Depending on the investment opportunities available, the Fund may contribute to any of the above environmental objectives and may not at all times contribute to all of the objectives.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

89.95% of the Fund’s net assets were aligned with sustainable investment objectives as of 31/12/2022. Alignment with EU Taxonomy amounted to 9.26%.

The indicators have not been subject to an assurance provided by an auditor or a review by a third party.

Some securities selected according to the approach to Impact and ESG assessments in effect before 31.12.2022 meet the criteria for managing the risks of obstruction to the SDGs (DNSH test) and good governance practices but may have a positive contribution assessed as low or unquantifiable.

As the analysis framework has been enhanced to date, the positive contribution of certain securities has been reviewed. An adjustment of the portfolios under the conditions set out in the investment process has been made.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

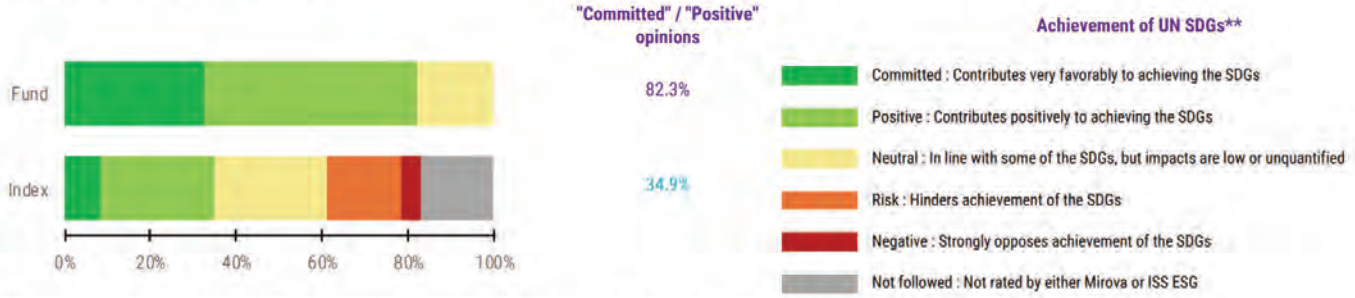
How did the sustainability indicators perform?

Benchmark: BLOOMBERG EURO AGGREGATE CORPORATE TOTAL RETURN INDEX VALUE UNHEDGED EUR

The benchmark is not intended to be aligned with environmental and social ambitions as promoted by the fund.

SUSTAINABILITY OPINION BREAKDOWN*

in % of assets, cash equivalence excluded



The ESG Opinion is designed to assess whether the investment is compatible with the UN SDGs and is based upon the analysis of Mirova and ISS ESG, a third party.
The opinion does not guarantee a profit or protect against a loss, and does not ensure the stability or safety of the overall portfolio.

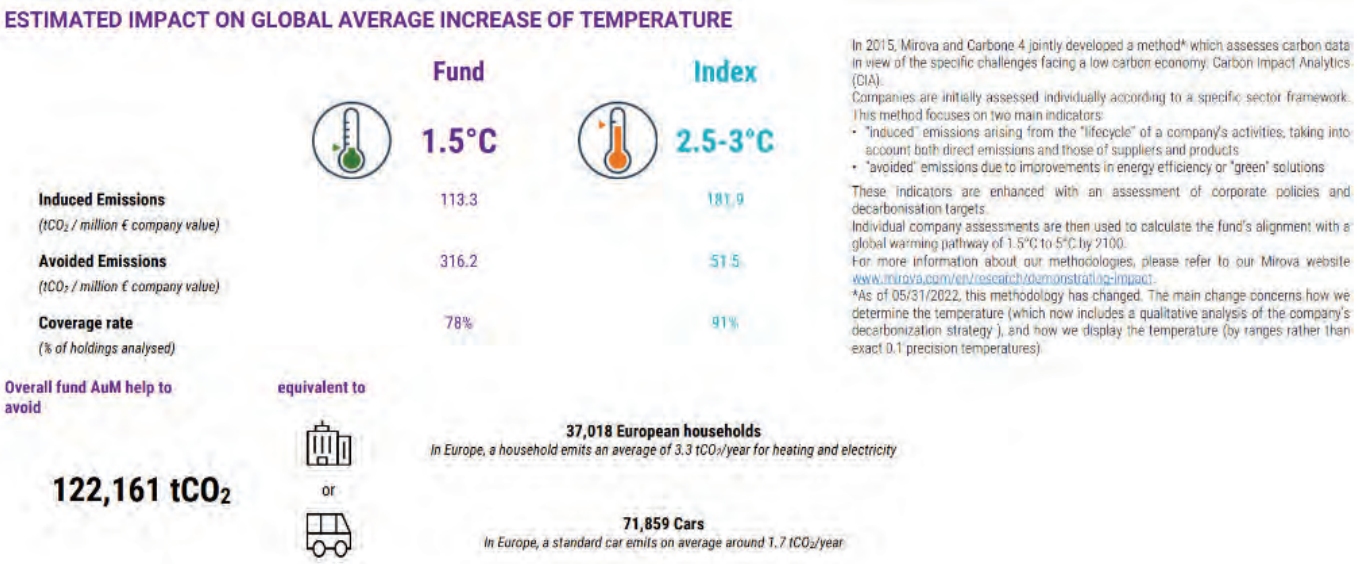
CONTRIBUTION TO UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

in % of assets with Committed/positive opinions

	Mirova pillars	Extent to which an asset contributes to the SDGs corresponding to each pillar Fund	Index
Environment	CLIMATE STABILITY Limit greenhouse gas levels to stabilize global temperature rise under 2°C	54%	23%
	HEALTHY ECO-SYSTEMS Maintain ecologically sound landscape and seas for nature and people	28%	11%
	RESOURCE SECURITY Preserve stocks of natural resources through efficient and circular use	24%	13%
Social	BASIC NEEDS Basic services (food, water, energy, transport, health, etc.) for all	15%	11%
	WELL BEING Enhanced health education, justice and equality of opportunity for all	17%	11%
	DECENT WORK Secure socially inclusive jobs and working conditions for all	10%	8%

The United Nations adopted 17 Sustainable Goals (SDGs) in 2015, with an ambition to achieve them by 2030. Please see an overview relating to all SDGs (1-17) on the UN's website: www.un.org/sustainabledevelopment/sustainable-development-goals/.
This chart displays to what extent an asset contributes to the UN Sustainable Development Goals ('SDGs'). Mirova has signed an agreement with Cambridge University, based on a research partnership focusing on sustainable development themes as well as the establishment of a task force in 2013, the Investors Leaders Group. To illustrate the main sustainability impacts of our investments, six impact pillars have been developed, three environmental and three social, for each asset (as displayed on the left). The same assets may contribute to several pillars / SDGs.

The percentages indicated represent the share of portfolio values (by weight) that contribute positively to the pillar concerned (companies with an ESG opinion "Committed" or "Positive" on the pillar).
Our evaluation of the contribution is based both on the capacity of companies to offer products and services with positive impact and on the quality of their environmental and social practices across their value chain.
* For more information on our methodologies, please refer to our Mirova website : https://www.mirova.com/en/research
**In 2015, all countries around the world agreed on 17 universal sustainable development goals (SDG) to end poverty, combat inequality and injustice and fight against climate change between now and 2030.



How did the sustainable investments not cause significant harm to any sustainable investment objective?

The sustainability analysis aims to identify the relevant residual environmental and social risks originating from issuers' activities and practices and assesses the quality of the issuer's measures to mitigate these risks (the "DNSH test"). Such analysis considers notably the degree of exposure of the investee company to certain sectors or activities that may be considered to be damaging for the environment and/or the society and exposure to relevant environmental or social controversies.

As a result of this qualitative analysis, the Investment Manager issues a binding opinion based on which the issuers whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution.

Therefore, over the reporting period, all investments in the Fund were complying with the Investment Manager's DNSH criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the analysis of residual ESG risks conducted on each investee company, the Fund systematically assesses and monitors indicators that are deemed to indicate the presence of principal adverse impact (including consideration of data relating to the mandatory PAI indicators referred to in the consolidated Regulatory Technical Standards for assessment of sustainable investment in accordance with art. 2 (17) SFDR). When the data necessary for the calculation of certain PAI indicators are not available, the Investment Manager may use qualitative or quantitative proxies that cover themes similar to the PAI indicators in question.

Adverse impacts are prioritized according to the specificities of sectors and business models of issuers or project financed by the use of proceeds bond considered for investment by using a combination of criteria based on:

- analysis of the issuer's exposure or project financed by the bond to environmental impacts based on science-based data from international organisations (e.g. energy intensity, impacts on biodiversity, etc),
- analysis of the issuer's exposure or project financed by the bond to fundamental rights and employee matters through its locations, business model and supply chain organization (e.g. exposure to health and safety risks, exposure to countries with specific human rights risks, etc),
- analysis of the issuer's footprint (or footprint of the project financed by the bond) on local communities and consumers,
- screening of on-going or potential controversies.

Where the Investment Manager deems the issuer's processes and practices are insufficient to mitigate environmental, social and governance risks, notably with regards to the relevant PAIs, the investment's impact is deemed as negative which makes it ineligible for investment.

Further details can be found in the table hereunder, which lists the main indicators taken into account by Mirova when taking PAIs into account.

Adverse Sustainability indicator		How PAIs are taken into account by Mirova
Greenhouse gas emissions	**1. GHG emissions**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	2. Carbon footprint	
	3. GHG intensity of investee companies	
	4. Exposure to companies active in the fossil fuel sector	- Exclusion of companies active in the fossil fuel sector For companies involved in fossil fuel extraction, processing/refining, and trading, exclusion applies to companies with: • >5% of revenues from coal or oil, including unconventional oil, • >10% of revenues from unconventional gas. For companies that produce dedicated equipment/services for the fossil fuel sector, exclusion applies to companies with >50% of revenues from these equipment/services. For companies involved in electricity production (>10% of sales related to electricity production), exclusion applies to companies with a generation mix dominated by coal, with a carbon intensity >350 gCO2/kWh.
	5. Share of non-renewable energy consumption and production	- Integration in qualitative internal analysis when relevant
	6. Energy consumption intensity per high impact climate sector	- Integration in qualitative internal analysis when relevant
Biodiversity	**7. Activities negatively affecting biodiversity-sensitive areas**	- Exclusion of companies or projects significantly harming biodiversity sensitive areas - Systematic integration in qualitative internal analysis - Part of controversy analysis
Water	**8. Emissions to water**	- Integration in qualitative internal analysis when relevant
Waste	**9. Hazardous waste and radioactive waste ratio**	- Integration in qualitative internal analysis when relevant
Social and Employee matters	**10. Violations of UNGC principles and OECD guidelines for Multinational Enterprises**	- Exclusion of companies violating UNGC and OECD principles - Systematic integration in qualitative internal analysis - Part of controversy analysis
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	- Exclusion for large companies, case-by-case for small companies or projects - Systematic integration in qualitative internal analysis - Engagement plans / ESAP with investees when relevant
	12. Unadjusted gender pay gap	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	13. Board gender diversity	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	- Exclusion (0% sales threshold)
Additional PAI Indicators	**4. Investments in companies without carbon emission reduction initiatives**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	14. Number of identified cases of severe human rights issues and incidents	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis

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

The Investment Manager screens investee companies against adherence with OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

The Investment Manager continuously reviews companies' track records and news flows to identify significant controversies. Companies' involvement and resolving measures are taken into account. Risks of potential breach may be monitored through engagement to obtain additional assurance.

Companies determined by the Investment Manager to be in serious breach of OECD Guidelines for Multinational Enterprises or UN Guiding Principles on Business and Human Rights are recognized as doing significant harm and are therefore rendered non-eligible.

As a consequence, over the reporting period, all investments were considered to be respectful with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



How did this financial product consider principal adverse impacts on sustainability factors?

PAI indicators are incorporated into the sustainability analysis framework and the results are part of the DNSH test. As described above, the DNSH test's result is a binding opinion based on which companies whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution. PAI indicators are therefore continuously considered by these financial products.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
BBVASM 4.375% 10-29*	Fixed-rate bond	2.09%	Spain
SRBANK TR 07-27*	Floating-rate bond	1.58%	Norway
VZ 0.750% 03-32	Fixed-rate bond	1.55%	United States
HYNOE 1.375% 04-25*	Fixed-rate bond	1.48%	Austria
MIR.EU.H.Y.G.Z-NPF EUR	Diversified UCITS	1.35%	France
MIZUHO 3.490% 09-27*	Fixed-rate bond	1.27%	Japan
DLR 2.500% 01-26*	Fixed-rate bond	1.23%	United States
SO 1.850% 06-26*	Fixed-rate bond	1.22%	United States
PG 0.350% 05-30	Fixed-rate bond	1.16%	United States
BFCM 1.000% 05-25	Fixed-rate bond	1.1%	France

VRGROU 2.375% 05-29*	Fixed-rate bond	1.05%	Finland
BRITEL 2.750% 08-27	Fixed-rate bond	0.99%	United Kingdom
ORSTED 1.500% 11-29*	Fixed-rate bond	0.99%	Denmark
CTPNV 0.625% 11-23*	Fixed-rate bond	0.99%	Netherlands
SSELN 2.875% 08-29*	Fixed-rate bond	0.98%	United Kingdom

**Green Bonds*

Please note that the name of the investment and the percentage of assets may differ from the ones shown in the portfolio. The displayed country is the country of risk

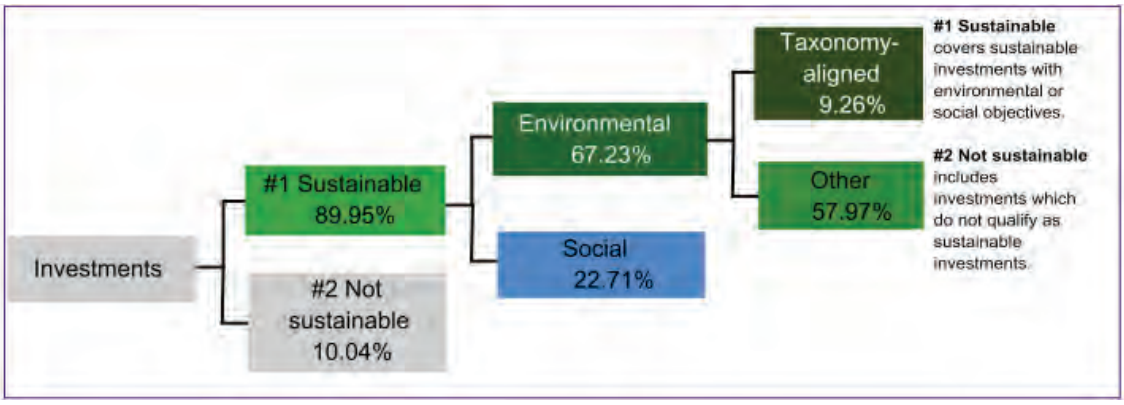
What was the proportion of sustainability-related investments?

The Fund aims at investing only in sustainable investments as defined in Article 2(17) SFDR. 89.95% of the Fund's net assets have been aligned with sustainable investment objectives as of 31/12/2022.

The Fund may use derivatives for hedging and investment purposes (authorised but very rarely used).

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



In which economic sectors were the investments made?

BREAKDOWN BY TYPE OF ISSUER	Fund %	Index %	Fund Modified duration	Index Modified duration
Government	0.3	-	-0.2	-
Corporates	85.5	100.0	4.0	4.5
Cyclical	18.5	24.7	0.8	1.1
Financial	38.8	43.8	1.6	1.7
Defensive	28.1	31.5	1.6	1.6
Securitized	0.1	-	0.0	-
Agencies and Supranational	6.7	-	0.3	-
Cash & cash equivalent	6.1	-	0.0	-
Other Products	1.4	-	0.0	-

BCLASS Nomenclature. Bond futures are embedded in government bonds

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the

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

As a result of its sustainable objective, this Fund may make investments in economic activities that contribute to the environmental objectives set out in the Article 9 of the Regulation (EU) 2020/852 (the "Taxonomy Regulation"): (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

The alignment of the economic activities of each company with the above objectives (limited to the objective (a) as of today) is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. They may also stem from estimations in case when certain amount of information is missing.

The estimations are performed under conditions defined by the regulations and respect the principle of prudence. The methodology for collecting alignment data and the quality of available data are being improved. As a result, the alignment percentage provided is conservative.

9.26% of the Fund's net assets are aligned with the EU taxonomy as of 31/12/2022.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[1]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

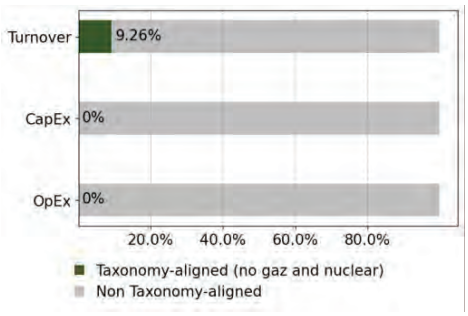
At the reporting date, based on the available reported and estimated issuer data, the management company did not identify any gas or nuclear taxonomy alignment in the investment portfolio.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

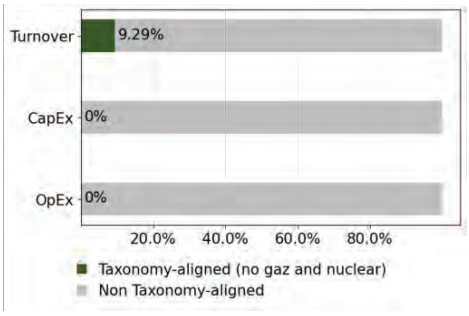
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1.Taxonomy-alignment of investments **including sovereign bonds***



2.Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents **100%** of the total investments.

* ***For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities was 1.23%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund has invested 67.23% in sustainable investments with an environmental objective that may include sustainable investments that are not aligned with the EU taxonomy.

The Investment Manager's sustainable impact assessment framework identifies certain activities that are not currently covered by the EU Taxonomy or considered as making a substantial contribution to environmental Taxonomy objectives.

This is affected by performing an overall sustainability assessment on each investment, which includes a review of positive impacts regarding three environmental themes: Climate Stability, Biodiversity and Circular Economy.

These themes aim at identifying issuers which activities or practices (or use of proceeds bonds which aim at financing projects):

- help develop low carbon energy, eco-efficiency, clean transportation, green building or align with an advanced decarbonation strategy; or
- support sustainable land use, land preservation and sustainable water management or align with an advanced biodiversity preservation strategy; or
- foster sustainable waste management or circular business model.

The Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned to the EU Taxonomy.



What was the share of socially sustainable investments?

The Fund has invested 22.71% in issuances or issuers that contribute to tackling inequality or that foster social cohesion, social integration and labor relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of the environmental/social objectives and that the issuance or issuer follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

This is affected by performing an overall sustainability assessment on each investee company, which includes a review of positive impacts regarding three social themes: Socio-economic development, Health wellness and Diversity inclusion.

These themes aim at identifying issuers which activities or practices (or use of proceeds bonds which aim at financing projects):

- help foster access to basic and sustainable services, local impact or promote advanced working conditions;
- support the development of healthcare, healthy nutrition, knowledge, education or safety;
- promote diversity and inclusion through dedicated products and services or through advanced practices targeting the workforce.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The Fund aims at investing only in securities qualifying as sustainable investment.

For technical or hedging purposes, the Fund may hold cash or cash equivalents and derivatives for currency risk management purposes. Due to the technical and neutral nature of the asset, such instruments are not considered as investments and thus no minimum safeguards have been put in place.



What actions have been taken to attain the sustainable investment objective during the reference period?

Engagement activity forms an integral part of Mirova's responsible investment approach.

Mirova's engagement strategy seeks to monitor and thrive to improve companies' products and practices from an environmental, social, and governance point of view. As a result, one of the core functions of the Sustainability Research team is engagement, both on individual and collaborative levels:

- Individual engagement: in which Mirova's ESG analysts interact one-on-one with the companies to monitor performance and progress on ESG topics, and to encourage improvement in their sustainability practices. The purpose of individual engagement is not only to ensure responsible practices in line with our standards, but also to promote better ESG practices and encourage the development of solutions for the major environmental and social challenges associated with each sector.
- Collaborative engagement: Mirova joins with other investors and representatives of civil society to identify controversial practices, encourage greater transparency and demand, where necessary, that companies change their practices.

Additionally, Mirova leverages its voting rights to further push companies towards the development of more sustainable portfolios and the adoption of best practices, by systematically exercising their voting rights based on an in-house voting policy that largely embeds the concepts of a sustainable-at-core, stakeholder-oriented governance. Proxy voting is used to convey messages during pre/post vote dialogue and via opposition to ad hoc items. Where possible, Mirova may co-sign or lead the filing of shareholder items.

Mirova also engage with regulators to share its vision of sustainable investment to improve standards and regulations across the financial sector and to foster sustainable investment. Mirova is committed to promoting regulations, including legislative changes, standards or labels, and practices that support sustainable investment and create long-term value.

Further information in relation to engagement priorities and engagement policy carried out by Mirova can be found on the website at https://www.mirova.com/en/research/voting-and-engagement.



How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **MIROVA FUNDS - Mirova Euro Sustainable Equity Fund**
Legal entity identifier: 549300JITTGS73M7F683

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
●● [X] **Yes**	●● [ ] **No**
[X] It made **sustainable investments with an environmental objective:** 52.61%	[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
[X] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[X] It made **sustainable investments with a social objective:** 43.88%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the Fund is to allocate the capital towards companies:

- that address opportunities linked to major sustainable themes such as biodiversity, climate, diversity human capital, health human development, and

- whose economics activities contribute positively through their products, services and/or practices to the achievement of one or more of the United Nations Sustainable Development Goals (the “SDGs”).

The Fund aims at contributing to keeping the maximum global temperature rise to a maximum 2 degrees Celsius.

The Regulation (EU) 2020/852 (the “Taxonomy Regulation”) aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. This Fund may make investments in economic activities that contribute to the environmental objectives set out in the Article 9 of the Taxonomy Regulation: (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

To date, only two of the environmental objectives have been defined and only a limited number of activities are eligible to be screened against the EU technical screening criteria.

The alignment of the economics activities of each company with the above objectives is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. Depending on the investment opportunities available, the Fund may contribute to any of the above environmental objectives and may not at all times contribute to all of the objectives.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

96.49% of the Fund’s net assets were aligned with sustainable investment objectives as of 31/12/2022. Alignment with EU Taxonomy amounted to 5.61%.

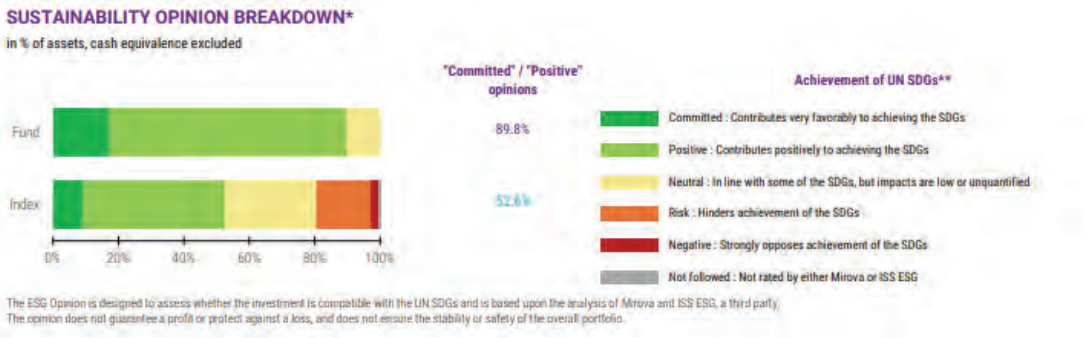
The indicators have not been subject to an assurance provided by an auditor or a review by a third party.

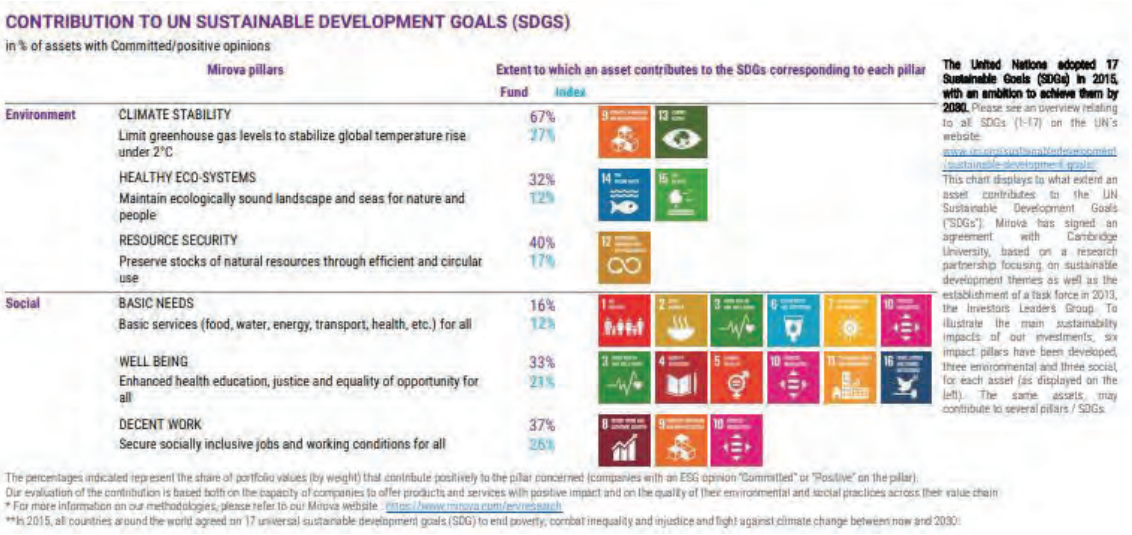
Sustainability indicators measure how the sustainable objectives of this financial product are attained.

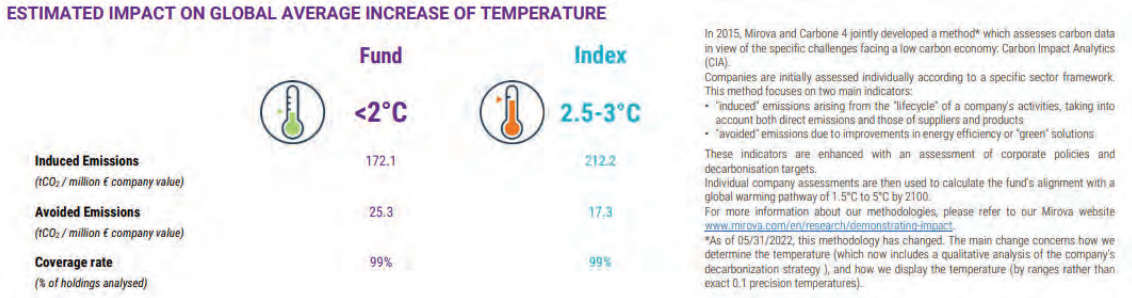
How did the sustainability indicators perform?

Benchmark: MSCI EMU DNR €

The benchmark is not intended to be aligned with environmental and social ambitions as promoted by the fund.







How did the sustainable investments not cause significant harm to any sustainable investment objective?

The sustainability analysis aims to identify the relevant residual environmental and social risks originating from companies' activities and practices and assesses the quality of the company's measures to mitigate these risks (the "DNSH test"). Such analysis considers notably the degree of exposure of the investee company to certain sectors or activities that may be considered to be damaging for the environment and/or the society and exposure to relevant environmental or social controversies.

As a result of this qualitative analysis, the Investment Manager issues a binding opinion based on which companies whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution.

Therefore, over the reporting period, all investment in the Fund were complying with the Investment Manager's DNSH criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the analysis of residual ESG risks conducted on each investee company, the Fund systematically assesses and monitors indicators that are deemed to indicate the presence of principal adverse impact (including consideration of data relating to the mandatory PAI indicators referred to in the consolidated Regulatory Technical Standards for assessment of sustainable investment in accordance with art. 2 (17) SFDR). When the data necessary for the calculation of certain PAI indicators are not available, the Investment Manager may use qualitative or quantitative proxies that cover themes similar to the PAI indicators in question.

Adverse impacts are prioritized according to the specificities of sectors and business models of companies considered for investment by using a combination of criteria based on:

- analysis of the company's exposure to environmental impacts based on science-based data from international organizations (e.g. energy intensity, impacts on biodiversity, etc),
- analysis of the company's exposure to fundamental rights and employee matters through its locations, business model and supply chain organization (e.g. exposure to health and safety risks, exposure to countries with specific human rights risks, etc),
- analysis of the company's footprint on local communities and consumers,
- screening of on-going or potential controversies.

Where the Investment Manager deems the investee company's processes and practices are insufficient to mitigate environmental, social and governance risks, notably with regards to the relevant PAIs, the company's impact is deemed as negative which makes it ineligible for investment.

Further details can be found in the table hereunder, which lists the main indicators taken into account by Mirova when taking PAIs into account.

Adverse Sustainability indicator		How PAIs are taken into account by Mirova
Greenhouse gas emissions	**1. GHG emissions**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	2. Carbon footprint	
	3. GHG intensity of investee companies	
	4. Exposure to companies active in the fossil fuel sector	- Exclusion of companies active in the fossil fuel sector For companies involved in fossil fuel extraction, processing/refining, and trading, exclusion applies to companies with: • >5% of revenues from coal or oil, including unconventional oil, • >10% of revenues from unconventional gas. For companies that produce dedicated equipment/services for the fossil fuel sector, exclusion applies to companies with >50% of revenues from these equipment/services. For companies involved in electricity production (>10% of sales related to electricity production), exclusion applies to companies with a generation mix dominated by coal, with a carbon intensity >350 gCO2/kWh.
	5. Share of non-renewable energy consumption and production	- Integration in qualitative internal analysis when relevant
	6. Energy consumption intensity per high impact climate sector	- Integration in qualitative internal analysis when relevant
Biodiversity	**7. Activities negatively affecting biodiversity-sensitive areas**	- Exclusion of companies or projects significantly harming biodiversity sensitive areas - Systematic integration in qualitative internal analysis - Part of controversy analysis
Water	**8. Emissions to water**	- Integration in qualitative internal analysis when relevant
Waste	**9. Hazardous waste and radioactive waste ratio**	- Integration in qualitative internal analysis when relevant
Social and Employee matters	**10. Violations of UNGC principles and OECD guidelines for Multinational Enterprises**	- Exclusion of companies violating UNGC and OECD principles - Systematic integration in qualitative internal analysis - Part of controversy analysis
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	- Exclusion for large companies, case-by-case for small companies or projects - Systematic integration in qualitative internal analysis - Engagement plans / ESAP with investees when relevant
	12. Unadjusted gender pay gap	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	13. Board gender diversity	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	- Exclusion (0% sales threshold)
Additional PAI Indicators	**4. Investments in companies without carbon emission reduction initiatives**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	14. Number of identified cases of severe human rights issues and incidents	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis

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

The investment manager screens investee companies against adherence with OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

The investment manager continuously reviews companies' track records and news flows to identify significant controversies. Companies' involvement and resolving measures are taken into account. Risks of potential breach may be monitored through engagement to obtain additional assurance.

Companies determined by the investment manager to be in serious breach of OECD Guidelines for Multinational Enterprises or UN Guiding Principles on Business and Human Rights are recognized as doing significant harm and are therefore rendered non-eligible.

Therefore, over the reporting period, all investments were considered to be respectful of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



How did this financial product consider principal adverse impacts on sustainability factors?

PAI indicators are incorporated into the sustainability analysis framework and the results are part of the DNSH test. As described above, the DNSH test's result is a binding opinion based on which companies whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution. PAI indicators are therefore continuously considered by these financial products.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
ASML HOLDING NA EUR	Semiconductor Equipment	5.08%	Netherlands
INTESA IM EUR	Diversified Banks	3.4%	Italy
HERMES INTL FP EUR	Apparel Accessories & Luxury	3.25%	France
SAP SE GY EUR	Application Software	3.0%	Germany
ALLIANZ GY EUR	Multi-Line Insurance	2.86%	Germany
SMURFIT KAPPA ID EUR	Paper Packaging	2.74%	Ireland
EDP GR EUR	Electric Utilities	2.72%	Portugal
AXA FP EUR	Multi-Line Insurance	2.68%	France
RENAULT SA FP EUR	Automobile Manufacturers	2.6%	France

ESSILORLUXOTTICA FP	Apparel Accessories & Luxury	2.54%	France
SAINT GOBAIN FP EUR	Building Products	2.53%	France
SANOFI FP EUR	Pharmaceuticals	2.51%	France
KBC GROUP BB EUR	Diversified Banks	2.51%	Belgium
CREDIT FP EUR	Diversified Banks	2.49%	France
DEUTSCHE TEL	Integrated Telecommunication	2.49%	Germany

Please note that the name of the investment and the percentage of assets may differ from the ones shown in the portfolio.
The displayed country is the country of risk

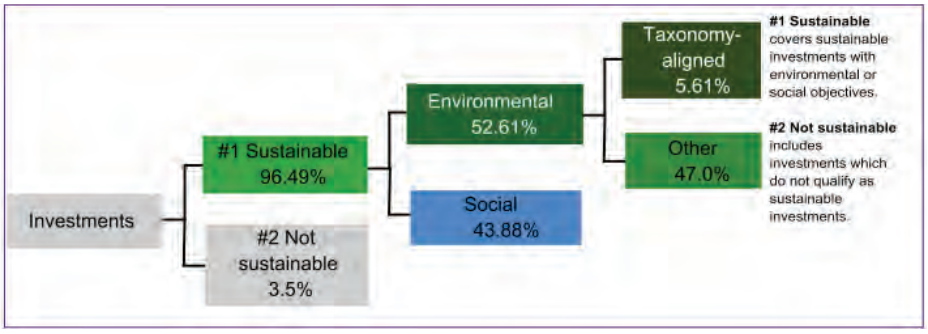
What was the proportion of sustainability-related investments?

The Fund may use derivatives for hedging and investment purposes (authorised but very rarely used).

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

As of 31/12/2022, the proportion of sustainable investment was 96.49%. Furthermore, the proportion of taxonomy-aligned investment was 5.61%



In which economic sectors were the investments made?

SECTOR BREAKDOWN (%)	Fund	Index
Financials	19.8	16.3
Industrials	13.8	15.5
Consumer Discretionary	13.7	16.6
Information Technology	12.3	12.3
Utilities	10.5	6.6
Materials	8.6	6.4
Health Care	6.9	7.3
Consumer Staples	6.3	8.0
Communication Services	4.5	4.3
Real Estate	-	1.0
Energy	-	5.6
Mutual Funds	2.3	-
Cash & cash equivalent	1.2	-

MSCI Breakdown

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

As a result of its sustainable objective, this Fund may make investments in economic activities that contribute to the environmental objectives set out in the Article 9 of the Regulation (EU) 2020/852 (the "Taxonomy Regulation") : (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

The alignment of the economic activities of each company with the above objectives (limited to the objective (a) as of today) is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. They may also stem from estimations in case when certain amount of information is missing. The estimations are performed under conditions defined by the regulations and respect the principle of prudence. As a result, the alignment percentage provided is conservative.

5.61% of the Fund's net assets are aligned with the EU taxonomy as of 31/12/2022.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[1]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

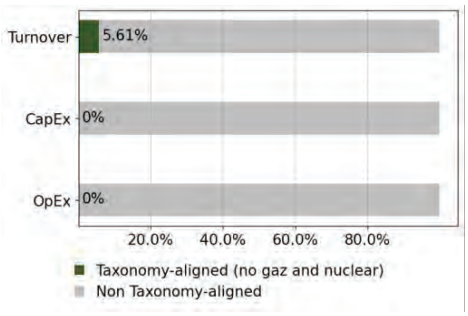
At the reporting date, based on the available reported and estimated issuer data, the management company did not identify any gas or nuclear taxonomy alignment in the investment portfolio.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

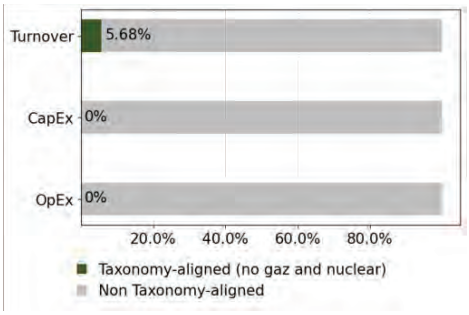
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1.Taxonomy-alignment of investments **including sovereign bonds***



2.Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents **100%** of the total investments.

* ***For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities was 1.92%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund has invested 52.61% in sustainable investments with an environmental objective that may include sustainable investments that are not aligned with the EU taxonomy.

The Investment Manager's sustainable impact assessment framework identifies certain activities that are not currently covered by the EU Taxonomy or considered as making a substantial contribution to environmental Taxonomy objectives.

This is affected by performing an overall sustainability assessment on each investee company, which includes a review of positive impacts regarding three environmental themes: Climate Stability, Biodiversity and Circular Economy.

These themes aim at identifying companies which activities or practices:

- help develop low carbon energy, eco-efficiency, clean transportation, green building or align with an advanced decarbonation strategy; or
- support sustainable land use, land preservation and sustainable water management or align with an advanced biodiversity preservation strategy; or
- foster sustainable waste management or circular business model.

The Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned to the EU Taxonomy.



What was the share of socially sustainable investments?

The Fund has invested 43.88% in companies that contribute to tackling inequality or that foster social cohesion, social integration and labor relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of the environmental/social 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.

This is affected by performing an overall sustainability assessment on each investee company, which includes a review of positive impacts regarding three social themes: Socio-economic development, Health wellness and Diversity inclusion.

These themes aim at identifying companies which activities or practices:

- help foster access to basic and sustainable services, local impact or promote advanced working conditions;
- support the development of healthcare, healthy nutrition, knowledge, education or safety;
- promote diversity and inclusion through dedicated products and services or through advanced practices targeting the workforce.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The Fund aims at investing only in equity securities qualifying as sustainable investment.

For technical or hedging purposes, the Fund may hold cash or cash equivalents and derivatives for currency risk management purposes. Due to the technical and neutral nature of the asset, such instruments are not considered as investments and thus no minimum safeguards have been put in place.



What actions have been taken to attain the sustainable investment objective during the reference period?

Engagement activity forms an integral part of Mirova's responsible investment approach.

Mirova's engagement strategy seeks to monitor and thrive to improve companies' products and practices from an environmental, social, and governance point of view. As a result, one of the core functions of the Sustainability Research team is engagement, both on individual and collaborative levels:

Individual engagement: in which Mirova's ESG analysts interact one-on-one with the companies to monitor performance and progress on ESG topics, and to encourage improvement in their sustainability practices. The purpose of individual engagement is not only to ensure responsible practices in line with our standards, but also to promote better ESG practices and encourage the development of solutions for the major environmental and social challenges associated with each sector.

Collaborative engagement: Mirova joins with other investors and representatives of civil society to identify controversial practices, encourage greater transparency and demand, where necessary, that companies change their practices.

Additionally, Mirova leverages its voting rights to further push companies towards the development of more sustainable portfolios and the adoption of best practices, by systematically exercising their voting rights based on an in-house voting policy that largely embeds the concepts of a sustainable-at-core, stakeholder-oriented governance. Proxy voting is used to convey messages during pre/post vote dialogue and via opposition to ad hoc items. Where possible, Mirova may co-sign or lead the filing of shareholder items.

Mirova also engage with regulators to share its vision of sustainable investment to improve standards and regulations across the financial sector and to foster sustainable investment. Mirova is committed to promoting regulations, including legislative changes, standards or labels, and practices that support sustainable investment and create long-term value.

Further information in relation to engagement priorities and engagement policy carried out by Mirova can be found on the website at https://www.mirova.com/en/research/voting-and-engagement.



How did this financial product perform compared to the reference sustainable benchmark?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

  Not Applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not Applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not Applicable

- ***How did this financial product perform compared with the broad market index?***

  Not Applicable

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **MIROVA FUNDS - Mirova Global Climate Ambition Equity Fund**
Legal entity identifier: 54930071Q8WMCP1ZLH72

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?	
●● [X] **Yes**	●● [ ] **No**
[X] It made **sustainable investments with an environmental objective:** 37.88%	[ ] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
[X] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[X] It made **sustainable investments with a social objective:** 46.53%	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the Fund is to allocate the capital towards companies:

- that address opportunities linked to major sustainable themes such as biodiversity, climate, diversity human capital, health human development, and

- whose economics activities contribute positively through their products, services and/or practices to the achievement of one or more of the United Nations Sustainable Development Goals (the “SDGs”).

The Fund aims at contributing to keeping the maximum global temperature rise to a maximum 2 degrees Celsius.

The Regulation (EU) 2020/852 (the “Taxonomy Regulation”) aims to establish the criteria for determining whether an economic activity is considered environmentally sustainable. This Fund may make investments in economic activities that contribute to the environmental objectives set out in the Article 9 of the Taxonomy Regulation: (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

To date, only two of the environmental objectives have been defined and only a limited number of activities are eligible to be screened against the EU technical screening criteria.

The alignment of the economics activities of each company with the above objectives is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. Depending on the investment opportunities available, the Fund may contribute to any of the above environmental objectives and may not at all times contribute to all of the objectives.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

84.42% of the Fund’s net assets were aligned with sustainable investment objectives as of 31/12/2022. Alignment with EU Taxonomy amounted to 11.84%.

The indicators have not been subject to an assurance provided by an auditor or a review by a third party.

Some securities selected according to the approach to Impact and ESG assessments in effect before 31.12.2022 meet the criteria for managing the risks of obstruction to the SDGs (DNSH test) and good governance practices but may have a positive contribution assessed as low or unquantifiable.

As the analysis framework has been enhanced to date, the positive contribution of certain securities has been reviewed. An adjustment of the portfolios under the conditions set out in the investment process has been made.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

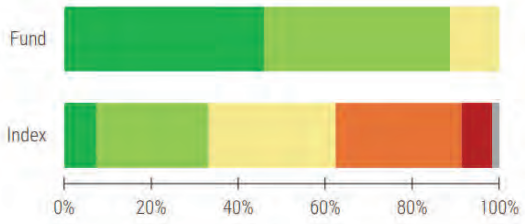
How did the sustainability indicators perform?

Benchmark: MSCI WORLD NET TOTAL RETURN EUR INDEX

The benchmark is not intended to be aligned with environmental and social ambitions as promoted by the fund.

SUSTAINABILITY OPINION BREAKDOWN*

in % of assets, cash equivalence excluded



"Committed" / "Positive" opinions

Fund 88.7%

Index 33.2%

Achievement of UN SDGs**

- Committed : Contributes very favorably to achieving the SDGs
- Positive : Contributes positively to achieving the SDGs
- Neutral : In line with some of the SDGs, but impacts are low or unquantified
- Risk : Hinders achievement of the SDGs
- Negative : Strongly opposes achievement of the SDGs
- Not followed : Not rated by either Mirova or ISS ESG

The ESG Opinion is designed to assess whether the investment is compatible with the UN SDGs and is based upon the analysis of Mirova and ISS ESG, a third party.
The opinion does not guarantee a profit or protect against a loss, and does not ensure the stability or safety of the overall portfolio.

CONTRIBUTION TO UN SUSTAINABLE DEVELOPMENT GOALS (SDGS)

in % of assets with Committed/positive opinions

	Mirova pillars	Extent to which an asset contributes to the SDGs corresponding to each pillar Fund	Index
Environment	CLIMATE STABILITY Limit greenhouse gas levels to stabilize global temperature rise under 2°C	40%	17%
	HEALTHY ECO-SYSTEMS Maintain ecologically sound landscape and seas for nature and people	16%	8%
	RESOURCE SECURITY Preserve stocks of natural resources through efficient and circular use	20%	7%
Social	BASIC NEEDS Basic services (food, water, energy, transport, health, etc.) for all	26%	11%
	WELL BEING Enhanced health education, justice and equality of opportunity for all	27%	16%
	DECENT WORK Secure socially inclusive jobs and working conditions for all	10%	9%



The United Nations adopted 17 Sustainable Goals (SDGs) in 2015, with an ambition to achieve them by 2030. Please see an overview relating to all SDGs (1-17) on the UN's website: www.un.org/sustainabledevelopment/sustainable-development-goals/.
This chart displays to what extent an asset contributes to the UN Sustainable Development Goals ("SDGs"). Mirova has signed an agreement with Cambridge University, based on a research partnership focusing on sustainable development themes as well as the establishment of a task force in 2013, the Investors Leaders Group. To illustrate the main sustainability impacts of our investments, six impact pillars have been developed, three environmental and three social, for each asset (as displayed on the left). The same assets may contribute to several pillars / SDGs.

The percentages indicated represent the share of portfolio values (by weight) that contribute positively to the pillar concerned (companies with an ESG opinion "Committed" or "Positive" on the pillar).
Our evaluation of the contribution is based both on the capacity of companies to offer products and services with positive impact and on the quality of their environmental and social practices across their value chain.
* For more information on our methodologies, please refer to our Mirova website : https://www.mirova.com/en/research
**In 2015, all countries around the world agreed on 17 universal sustainable development goals (SDG) to end poverty, combat inequality and injustice and fight against climate change between now and 2030.

ESTIMATED IMPACT ON GLOBAL AVERAGE INCREASE OF TEMPERATURE

	Fund	Index
	<2°C	3.5-4°C
Induced Emissions *(tCO_2 / million € company value)*	75.1	142.0
Avoided Emissions *(tCO_2 / million € company value)*	22.0	8.1
Coverage rate *(% of holdings analysed)*	98%	99%

In 2015, Mirova and Carbone 4 jointly developed a method* which assesses carbon data in view of the specific challenges facing a low carbon economy: Carbon Impact Analytics (CIA).
Companies are initially assessed individually according to a specific sector framework. This method focuses on two main indicators:

- "induced" emissions arising from the "lifecycle" of a company's activities, taking into account both direct emissions and those of suppliers and products
- "avoided" emissions due to improvements in energy efficiency or "green" solutions

These indicators are enhanced with an assessment of corporate policies and decarbonisation targets.
Individual company assessments are then used to calculate the fund's alignment with a global warming pathway of 1.5°C to 5°C by 2100.
For more information about our methodologies, please refer to our Mirova website www.mirova.com/en/research/demonstrating-impact.
*As of 05/31/2022, this methodology has changed. The main change concerns how we determine the temperature (which now includes a qualitative analysis of the company's decarbonization strategy), and how we display the temperature (by ranges rather than exact 0.1 precision temperatures).

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The sustainability analysis aims to identify the relevant residual environmental and social risks originating from companies' activities and practices and assesses the quality of the company's measures to mitigate these risks (the "DNSH test"). Such analysis considers notably the degree of exposure of the investee company to certain sectors or activities that may be considered to be damaging for the environment and/or the society and exposure to relevant environmental or social controversies.

As a result of this qualitative analysis, the Investment Manager issues a binding opinion based on which companies whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution.

Therefore, over the reporting period, all investments in the Fund were complying with the Investment Manager's DNSH criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

As part of the analysis of residual ESG risks conducted on each investee company, the Fund systematically assesses and monitors indicators that are deemed to indicate the presence of principal adverse impact (including consideration of data relating to the mandatory PAI indicators referred to in the consolidated Regulatory Technical Standards for assessment of sustainable investment in accordance with art. 2 (17) SFDR). When the data necessary for the calculation of certain PAI indicators are not available, the Investment Manager may use qualitative or quantitative proxies that cover themes similar to the PAI indicators in question.

Adverse impacts are prioritized according to the specificities of sectors and business models of companies considered for investment by using a combination of criteria based on:

- analysis of the company's exposure to environmental impacts based on science-based data from international organisations (e.g. energy intensity, impacts on biodiversity, etc),
- analysis of the company's exposure to fundamental rights and employee matters through its locations, business model and supply chain organization (e.g. exposure to health and safety risks, exposure to countries with specific human rights risks, etc),
- analysis of the company's footprint on local communities and consumers,
- screening of on-going or potential controversies.

Where the Investment Manager deems the investee company's processes and practices are insufficient to mitigate environmental, social and governance risks, notably with regards to the relevant PAIs, the company's impact is deemed as negative which makes it ineligible for investment.

Further details can be found in the table hereunder, which lists the main indicators taken into account by Mirova when taking PAIs into account.

Adverse Sustainability indicator		How PAIs are taken into account by Mirova
Greenhouse gas emissions	**1. GHG emissions**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	2. Carbon footprint	
	3. GHG intensity of investee companies	
	4. Exposure to companies active in the fossil fuel sector	- Exclusion of companies active in the fossil fuel sector For companies involved in fossil fuel extraction, processing/refining, and trading, exclusion applies to companies with: • >5% of revenues from coal or oil, including unconventional oil, • >10% of revenues from unconventional gas. For companies that produce dedicated equipment/services for the fossil fuel sector, exclusion applies to companies with >50% of revenues from these equipment/services. For companies involved in electricity production (>10% of sales related to electricity production), exclusion applies to companies with a generation mix dominated by coal, with a carbon intensity >350 gCO2/kWh.
	5. Share of non-renewable energy consumption and production	- Integration in qualitative internal analysis when relevant
	6. Energy consumption intensity per high impact climate sector	- Integration in qualitative internal analysis when relevant
Biodiversity	**7. Activities negatively affecting biodiversity-sensitive areas**	- Exclusion of companies or projects significantly harming biodiversity sensitive areas - Systematic integration in qualitative internal analysis - Part of controversy analysis
Water	**8. Emissions to water**	- Integration in qualitative internal analysis when relevant
Waste	**9. Hazardous waste and radioactive waste ratio**	- Integration in qualitative internal analysis when relevant
Social and Employee matters	**10. Violations of UNGC principles and OECD guidelines for Multinational Enterprises**	- Exclusion of companies violating UNGC and OECD principles - Systematic integration in qualitative internal analysis - Part of controversy analysis
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	- Exclusion for large companies, case-by-case for small companies or projects - Systematic integration in qualitative internal analysis - Engagement plans / ESAP with investees when relevant
	12. Unadjusted gender pay gap	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	13. Board gender diversity	- Systematic integration of gender equality in qualitative internal analysis - Engagement plans / ESAP with investees
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	- Exclusion (0% sales threshold)
Additional PAI Indicators	**4. Investments in companies without carbon emission reduction initiatives**	- Exclusion of the most carbon intensive entities and companies with no or insufficient plan to reduce GHG emissions - Systematic integration in qualitative internal analysis
	14. Number of identified cases of severe human rights issues and incidents	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	- Exclusion of companies with severe human rights issues and incidents - Systematic integration in qualitative internal analysis - Part of controversy analysis

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

The Investment Manager screens investee companies against adherence with OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

The Investment Manager continuously reviews companies' track records and news flows to identify significant controversies. Companies' involvement and resolving measures are taken into account. Risks of potential breach may be monitored through engagement to obtain additional assurance.

Companies determined by the Investment Manager to be in serious breach of OECD Guidelines for Multinational Enterprises or UN Guiding Principles on Business and Human Rights are recognized as doing significant harm and are therefore rendered non-eligible.

As a consequence, over the reporting period, all investments were considered to be respectful with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



How did this financial product consider principal adverse impacts on sustainability factors?

PAI indicators are incorporated into the sustainability analysis framework and the results are part of the DNSH test. As described above, the DNSH test's result is a binding opinion based on which companies whose economic activities or practices are deemed to have a significant negative impact on the achievement of one or more of the UN SDGs are systematically excluded from the investment universe regardless of their otherwise positive contribution. PAI indicators are therefore continuously considered by these financial products.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31/12/2022

Largest investments	Sector	% Assets	Country
ENPHASE UQ USD	Semiconductor Equipment	2.37%	United States
BRISTOL-MYER UN USD	Pharmaceuticals	2.07%	United States
SEKISUI HOUSE JT JPY	Homebuilding	1.98%	Japan
BBVA SQ EUR	Diversified Banks	1.95%	Spain
ORACLE CORP UN USD	Systems Software	1.89%	United States
EVERSOURCE UN USD	Electric Utilities	1.89%	United States
PRUDENTL FINL UN USD	Life & Health Insurance	1.76%	United States
INFORMA PLC LN GBp	Advertising	1.75%	United Kingdom
KBC GROUP BB EUR	Diversified Banks	1.72%	Belgium
NVIDIA CORP UW USD	Semiconductors	1.68%	United States

SVENSKA HAN-A SS SEK	Diversified Banks	1.67%	Sweden
HOME DEPOT UN USD	Home Improvement Retail	1.66%	United States
CREDIT FP EUR	Diversified Banks	1.64%	France
ELEVANCE UN USD	Managed Health Care	1.63%	United States
NEC CORP JT JPY	IT Consulting & Other Services	1.62%	Japan

Please note that the name of the investment and the percentage of assets may differ from the ones shown in the portfolio. The displayed country is the country of risk

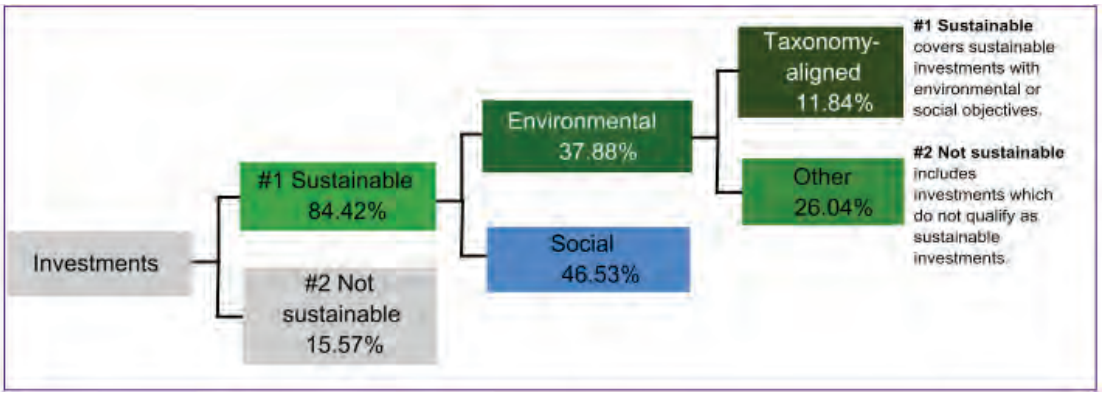
What was the proportion of sustainability-related investments?

The Fund aims at investing only in sustainable investments as defined in Article 2(17) SFDR. 84.42% of the Fund's net assets have been aligned with sustainable investment objectives as of 31/12/2022.

The Fund may use derivatives for hedging and investment purposes (authorised but very rarely used).

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



In which economic sectors were the investments made?

SECTOR BREAKDOWN (%)	Fund	Index
Health Care	16.9	14.4
Information Technology	15.1	20.2
Financials	14.3	14.3
Industrials	13.9	10.7
Real Estate	10.4	2.7
Utilities	7.6	3.2
Communication Services	7.3	6.4
Consumer Discretionary	6.1	10.1
Consumer Staples	4.3	7.9
Materials	0.7	4.5
Energy	-	5.7
Cash & cash equivalent	3.4	-

MSCI Breakdown

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

As a result of its sustainable objective, this Fund may make investments in economic activities that contribute to the environmental objectives set out in the Article 9 of the Regulation (EU) 2020/852 (the "Taxonomy Regulation"): (a) climate change mitigation and climate change adaptation, (b) sustainable use and protection of water and marine resources, (c) the transition to a circular economy, (d) pollution prevention and control, (e) the protection and restoration of biodiversity and ecosystems.

The alignment of the economic activities of each company with the above objectives (limited to the objective (a) as of today) is identified and measured to the extent that data is available to the Investment Manager and of an adequate quality. They may also stem from estimations in case when certain amount of information is missing.

The estimations are performed under conditions defined by the regulations and respect the principle of prudence. The methodology for collecting alignment data and the quality of available data are being improved. As a result, the alignment percentage provided is conservative.

11.84% of the Fund's net assets are aligned with the EU taxonomy as of 31/12/2022.

Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy[1]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

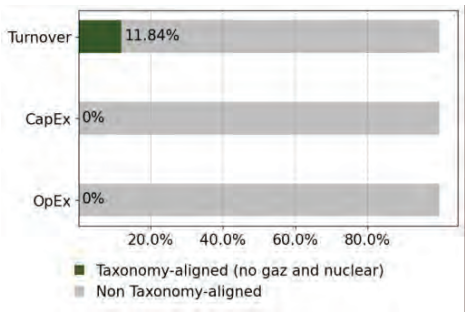
At the reporting date, based on the available reported and estimated issuer data, the management company did not identify any gas or nuclear taxonomy alignment in the investment portfolio.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

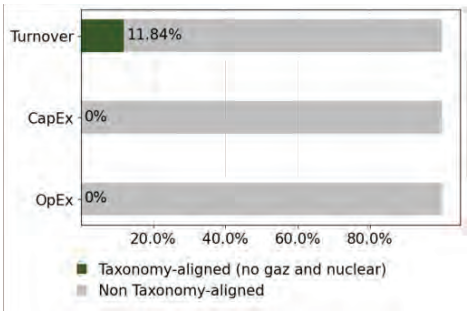
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.

1.Taxonomy-alignment of investments **including sovereign bonds***



2.Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents **100%** of the total investments.

* ***For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

What was the share of investments made in transitional and enabling activities?

The share of investments in transitional and enabling activities was 6.14%.


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund has invested 37.88% in sustainable investments with an environmental objective that may include sustainable investments that are not aligned with the EU taxonomy.

The Investment Manager's sustainable impact assessment framework identifies certain activities that are not currently covered by the EU Taxonomy or considered as making a substantial contribution to environmental Taxonomy objectives.

This is affected by performing an overall sustainability assessment on each investee company, which includes a review of positive impacts regarding three environmental themes: Climate Stability, Biodiversity and Circular Economy.

These themes aim at identifying companies which activities or practices:

- help develop low carbon energy, eco-efficiency, clean transportation, green building or align with an advanced decarbonation strategy; or
- support sustainable land use, land preservation and sustainable water management or align with an advanced biodiversity preservation strategy; or
- foster sustainable waste management or circular business model.

The Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned to the EU Taxonomy.



What was the share of socially sustainable investments?

The Fund has invested 46.53% in companies that contribute to tackling inequality or that foster social cohesion, social integration and labor relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of the environmental/social 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.

This is affected by performing an overall sustainability assessment on each investee company, which includes a review of positive impacts regarding three social themes: Socio-economic development, Health wellness and Diversity inclusion.

These themes aim at identifying companies which activities or practices:

- help foster access to basic and sustainable services, local impact or promote advanced working conditions;
- support the development of healthcare, healthy nutrition, knowledge, education or safety;
- promote diversity and inclusion through dedicated products and services or through advanced practices targeting the workforce.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The Fund aims at investing only in securities qualifying as sustainable investment.

For technical or hedging purposes, the Fund may hold cash or cash equivalents and derivatives for currency risk management purposes. Due to the technical and neutral nature of the asset, such instruments are not considered as investments and thus no minimum safeguards have been put in place.



What actions have been taken to attain the sustainable investment objective during the reference period?

Engagement activity forms an integral part of Mirova's responsible investment approach.

Mirova's engagement strategy seeks to monitor and thrive to improve companies' products and practices from an environmental, social, and governance point of view. As a result, one of the core functions of the Sustainability Research team is engagement, both on individual and collaborative levels:

- Individual engagement: in which Mirova's ESG analysts interact one-on-one with the companies to monitor performance and progress on ESG topics, and to encourage improvement in their sustainability practices. The purpose of individual engagement is not only to ensure responsible practices in line with our standards, but also to promote better ESG practices and encourage the development of solutions for the major environmental and social challenges associated with each sector.
- Collaborative engagement: Mirova joins with other investors and representatives of civil society to identify controversial practices, encourage greater transparency and demand, where necessary, that companies change their practices.

Additionally, Mirova leverages its voting rights to further push companies towards the development of more sustainable portfolios and the adoption of best practices, by systematically exercising their voting rights based on an in-house voting policy that largely embeds the concepts of a sustainable-at-core, stakeholder-oriented governance. Proxy voting is used to convey messages during pre/post vote dialogue and via opposition to ad hoc items. Where possible, Mirova may co-sign or lead the filing of shareholder items.

Mirova also engage with regulators to share its vision of sustainable investment to improve standards and regulations across the financial sector and to foster sustainable investment. Mirova is committed to promoting regulations, including legislative changes, standards or labels, and practices that support sustainable investment and create long-term value.

Further information in relation to engagement priorities and engagement policy carried out by Mirova can be found on the website at https://www.mirova.com/en/research/voting-and-engagement.



How did this financial product perform compared to the reference sustainable benchmark?

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

- ***How did the reference benchmark differ from a broad market index?***

  Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

  Not applicable

- ***How did this financial product perform compared with the broad market index?***

  Not applicable

ALLEGATO IV

Modello di informativa periodica per i prodotti finanziari di cui all'articolo 8, paragrafi 1, 2 e 2 bis, del regolamento (UE) 2019/2088 e all'articolo 6, primo comma, del regolamento (UE) 2020/852

Nome del prodotto: Muzinich Global High Yield Low Carbon Credit Fund

Identificativo della persona giuridica: 49300MBB0IKQASDXP90

Caratteristiche ambientali e/o sociali

Questo prodotto finanziario aveva un obiettivo di investimento sostenibile?

☐ **Sì**	☒ **No**
☐ Ha effettuato **investimenti sostenibili con un obiettivo ambientale**: ___%	☒ Ha **promosso caratteristiche ambientali/sociali (A/S)** e pur non avendo come obiettivo un investimento sostenibile, aveva una quota del 3,04% di investimenti sostenibili
☐ in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE	☒ con un obiettivo ambientale in attività economiche considerate ecosostenibili conformemente alla tassonomia dell'UE
☐ in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE	☐ con un obiettivo ambientale in attività economiche che non sono considerate ecosostenibili conformemente alla tassonomia dell'UE
	☐ con un obiettivo sociale
☐ Ha effettuato **investimenti sostenibili con un obiettivo sociale**: ___%	☐ Ha promosso caratteristiche A/S, ma **non ha effettuato alcun investimento sostenibile**

Si intende per **investimento sostenibile** un investimento in un'attività economica che contribuisce a un obiettivo ambientale o sociale, purché tale investimento non arrechi un danno significativo a nessun obiettivo ambientale o sociale e l'impresa beneficiaria degli investimenti segua prassi di buona governance.

La **tassonomia dell'UE** è un sistema di classificazione istituito dal regolamento (UE) 2020/852, che stabilisce un elenco di **attività economiche ecosostenibili**. Tale regolamento non stabilisce un elenco di attività economiche socialmente sostenibili. Gli investimenti sostenibili con un obiettivo ambientale potrebbero essere allineati o no alla tassonomia.



Gli **indicatori di sostenibilità** misurano il raggiungimento delle caratteristiche ambientali o sociali promosse dal prodotto finanziario.

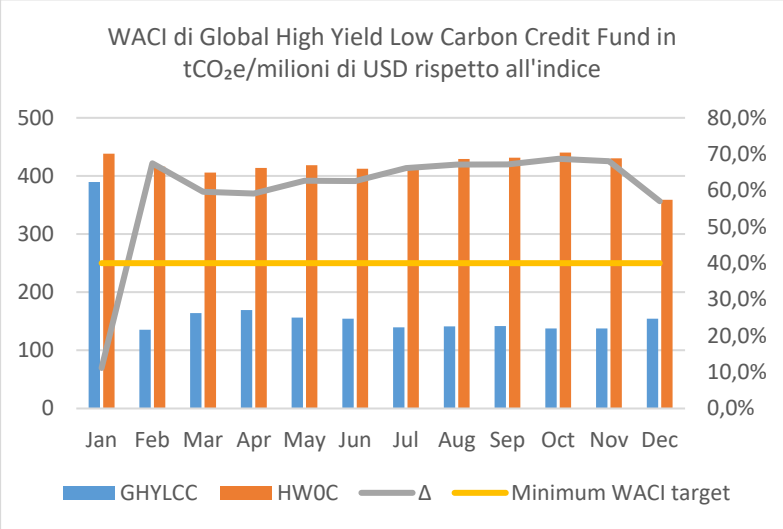
In che misura sono state soddisfatte le caratteristiche ambientali e/o sociali promosse da questo prodotto finanziario?

Questo prodotto finanziario ha promosso determinate caratteristiche ambientali e/o sociali nel suo portafoglio applicando un elenco di esclusione settoriale e determinati criteri di condotta per evitare investimenti in società che il Gestore degli Investimenti considera fondamentalmente non sostenibili. Questo prodotto finanziario si conforma inoltre a un obiettivo di intensità di carbonio media ponderata (WACI) per rimanere almeno il 40% al di sotto di quella dell'indice di riferimento del prodotto finanziario. Inoltre, gli investimenti in portafoglio sono tenuti a seguire pratiche di buona governance.

- ***Qual è stata la prestazione degli indicatori di sostenibilità?***

  Gli indicatori di sostenibilità del prodotto finanziario hanno avuto la seguente prestazione:

Indicatore di sostenibilità	**Prestazione dell'indicatore di sostenibilità**
Percentuale dei ricavi di un singolo emittente che può essere ottenuta da specifiche attività commerciali (ad esempio, la produzione di armi controverse).	Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario: • deteneva 0 emittenti (0% in termini di ponderazione) coinvolti nella fabbricazione finale di armi controverse • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dalla produzione di tabacco • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dall'estrazione di combustibili fossili convenzionali e non convenzionali • deteneva 0 emittenti (0% in termini di ponderazione) che generavano più del 10% dei ricavi dall'estrazione del carbone o dalla produzione di elettricità legata al carbone, o emittenti con un massimo del 30% di ricavi legati al carbone che non si erano impegnati pubblicamente a smantellare i loro attivi di carbone entro il 2025.
Allineamento dell'emittente alle norme riconosciute e/o agli standard internazionali relativi al rispetto dei diritti umani, ai rapporti di lavoro, alla protezione da gravi danni ambientali e alle norme in materia di frode e/o corruzione grave.	Il Gestore degli Investimenti ha utilizzato questi indicatori per segnalare gli emittenti che potenzialmente violano i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati dai fornitori indipendenti di dati ESG del Gestore degli Investimenti poiché potenzialmente in contrasto con tali norme o standard sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario deteneva 0 emittenti (o un'esposizione dello 0,06% in termini di ponderazione) che il Comitato di idoneità ESG del Gestore degli Investimenti considerava a rischio di grave violazione di norme o standard riconosciuti in materia di diritti umani, rapporti di lavoro, protezione da gravi danni ambientali e frode e/o corruzione grave.
Limiti al punteggio ESG e alla copertura della ricerca	Alla fine di ciascuno dei quattro trimestri del periodo di riferimento, questo prodotto finanziario: • deteneva 0 emittenti (0% in termini di ponderazione) con un rating di rischio ESG pari o superiore a 40, come specificato dalla politica ESG • aveva una media ponderata del rating di rischio ESG inferiore a 30, come specificato dalla politica ESG • ha mantenuto un portafoglio che, escludendo le disponibilità liquide, era coperto per oltre il 90% da un fornitore indipendente di dati ESG.
Punteggio delle controversie ESG, che misura la gravità degli incidenti legati alla sostenibilità di un emittente.	Il Gestore degli Investimenti ha monitorato il punteggio delle controversie ESG degli emittenti in portafoglio nell'ambito del suo processo di ricerca e monitoraggio continuo per identificare le società che potrebbero presentare rischi eccessivi per gli emittenti . Tuttavia questi indicatori non sono utilizzati come elementi vincolanti della politica ESG di questo prodotto d'investimento. La quota di partecipazioni del fondo con un punteggio delle controversie di 5/5, calcolata come media delle quattro percentuali di fine trimestre nel periodo di riferimento, è pari a 0.06% degli attivi in gestione a causa di una "violazione passiva" di una posizione esistente.
Indicatori dei principali effetti negativi secondo la definizione dell'SFDR.	Il Gestore degli Investimenti ha considerato i principali effetti negativi delle sue decisioni di investimento sui fattori di sostenibilità. I risultati di tali considerazioni sono presentati nell'Allegato I annesso al presente documento.

Margine percentuale tra l'intensità di carbonio media ponderata del portafoglio del prodotto finanziario e quella di un universo investibile comparabile di titoli, per determinare se il prodotto finanziario soddisfa o viola i suoi criteri di intensità di carbonio.	L'intensità di carbonio media ponderata di questo prodotto finanziario è rimasta inferiore di oltre il 10% (cioè meno intensiva in carbonio) rispetto a un universo investibile comparabile di titoli rappresentato dall'indice di riferimento per tutto il periodo di investimento, come illustrato nel grafico seguente. Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario, tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali. L'obiettivo WACI di questo prodotto finanziario è stato aumentato da un delta del 10% inferiore all'indice di riferimento a un delta del 40% nel febbraio del 2022.  L'indice utilizzato è l'ICE BofA Global High Yield Constrained Index (HW0C) ed è stato scelto come universo d'investimento rappresentativo della strategia d'investimento di questo prodotto finanziario. La linea grigia delta ("Δ") mostra la differenza tra l'intensità di carbonio media ponderata di questo prodotto finanziario e quella dell'indice di riferimento, che dovrebbe rimanere al di sopra del "target minimo WACI".

- ***…e rispetto ai periodi precedenti?***

  Non applicabile, in quanto si tratta del primo periodo di riferimento per il quale il Gestore degli Investimenti presenta una relazione.

- ***Quali erano gli obiettivi degli Investimenti sostenibili che il prodotto finanziario in parte ha realizzato e in che modo l'investimento sostenibile ha contribuito a tali obiettivi?***

  Questo prodotto d'investimento non aveva l'obiettivo ambientale di investire in attività economiche che si qualificano come ecosostenibili secondo la tassonomia dell'UE o che non si allineano alla tassonomia dell'UE, né in attività socialmente sostenibili. Tuttavia, il prodotto ha effettuato alcuni investimenti che rientrano nella definizione di attività commerciali allineate alla tassonomia dell'UE con attività di mitigazione e/o adattamento al clima.

In che modo gli investimenti sostenibili che il prodotto finanziario in parte ha realizzato non hanno arrecato un danno significativo a nessun obiettivo di investimento sostenibile sotto il profilo ambientale o sociale?

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione alcuni criteri di condotta aziendale relativi ai diritti umani, ai diritti del lavoro, alla tutela dell'ambiente e alle pratiche di governance attraverso il processo di due diligence e di monitoraggio continuo, al fine di garantire che le partecipazioni non danneggiassero in modo significativo gli obiettivi ambientali o sociali.

In che modo si è tenuto conto degli indicatori degli effetti negativi sui fattori di sostenibilità?

Nel corso del periodo di riferimento, il Gestore degli Investimenti ha preso in considerazione i principali effetti negativi ("PAI") sui fattori di sostenibilità al momento di prendere le decisioni di investimento relative a questo prodotto finanziario, nell'ambito della due diligence, della ricerca e del monitoraggio continuo dei singoli emittenti e attraverso l'impegno con alcuni emittenti. Il Gestore degli Investimenti ha preso in considerazione i PAI monitorando gli indicatori obbligatori di cui alla Tabella 1 dell'Allegato 1 del regolamento delegato (UE) 2022/1288 della Commissione in relazione alle norme tecniche di regolamentazione che integrano l'SFDR. Ulteriori informazioni sulla considerazione dei fattori PAI sono disponibili alla fine di questo documento.

Gli investimenti sostenibili erano allineati con le linee guida OCSE destinate alle imprese multinazionali e con i Principi guida delle Nazioni Unite su imprese e diritti umani? Descrizione particolareggiata:

Il Gestore degli Investimenti considera l'allineamento degli emittenti con queste linee guida e principi come parte del suo processo di ricerca degli investimenti. Il Gestore degli Investimenti ha utilizzato indicatori forniti da fornitori indipendenti di dati ESG che segnalano gli emittenti che potenzialmente violano le linee guida dell'OCSE destinate alle imprese multinazionali e i Principi guida delle Nazioni Unite su imprese e diritti umani, che a loro volta violerebbero i suoi criteri interni di idoneità ESG sulla condotta aziendale. Gli emittenti segnalati sono stati discussi dal Comitato di idoneità ESG del Gestore degli Investimenti. Il Gestore degli Investimenti ritiene che gli investimenti effettuati nel corso del periodo di riferimento siano conformi a tali linee guida e principi.

Durante il periodo d'investimento questo prodotto finanziario è stato sottoposto a screening su base trimestrale per determinare l'allineamento con tali linee guida. Il Gestore degli Investimenti non ha ritenuto che nel periodo di riferimento si siano verificate gravi violazioni da parte delle partecipazioni a questo prodotto finanziario.

La tassonomia dell'UE stabilisce il principio "non arrecare un danno significativo", in base al quale gli investimenti allineati alla tassonomia non dovrebbero arrecare un danno significativo agli obiettivi della tassonomia dell'UE, ed è corredata di criteri specifici dell'Unione.

ll principio "non arrecare un danno significativo" si applica solo agli investimenti sottostanti il prodotto finanziario che tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili. Gli investimenti sottostanti la parte restante di questo prodotto finanziario non tengono conto dei criteri dell'Unione per le attività economiche ecosostenibili.

Nessun altro investimento sostenibile deve arrecare un danno significativo agli obiettivi ambientali o sociali.



In che modo questo prodotto finanziario ha preso in considerazione i principali effetti negativi sui fattori di sostenibilità?

I **principali effetti negativi** sono gli effetti negativi più significativi delle decisioni di investimento sui fattori di sostenibilità relativi a problematiche ambientali, sociali e concernenti il personale, il rispetto dei diritti umani e le questioni relative alla lotta alla corruzione attiva e passiva.

Il Gestore degli Investimenti ha preso in considerazione i PAI sui fattori di sostenibilità quando ha adottato le decisioni di investimento relative a questo prodotto finanziario attraverso una combinazione di decisioni di allocazione di attivi, esclusioni o sottopesi a livello di settore o di società, esclusioni basate sulla condotta, coinvolgimento degli emittenti e l'applicazione di un obiettivo di riduzione dell'intensità di carbonio. Gli elementi vincolanti della politica ESG di questo prodotto finanziario si riferiscono direttamente alla mitigazione dei PAI. Il Gestore degli Investimenti prende in considerazione altri PAI nell'ambito del suo processo di ricerca sugli investimenti, compresa la sua metodologia proprietaria di punteggio ESG, e/o delle attività di engagement. Il Gestore degli Investimenti ha classificato i PAI nella tabella sottostante secondo una priorità "bassa", "media" o " elevata", in base all'importanza che attribuisce **a ciascun fattore, alla qualità o alla copertura dei dati generalmente disponibili su tali** fattori e alla capacità di influenzare materialmente le società in portafoglio su tali fattori attraverso l'engagement. La politica ESG di questo prodotto finanziario ha affrontato direttamente i PAI ad alta priorità escludendo o limitando l'esposizione agli emittenti rilevanti.

In particolare, in relazione a questo prodotto finanziario, il Gestore degli Investimenti considera i fattori PAI elencati nella tabella seguente. Il Gestore degli Investimenti si procura i dati PAI da fornitori indipendenti di dati ESG e indirettamente da altre fonti di dati ESG, come i punteggi sulle controversie. I dati sui fattori PAI relativi a questo prodotto finanziario sono disponibili alla fine del presente Allegato.

PAI considerato	Priorità	Azione/i chiave relativa/e ai PAI
Emissioni GHG	Elevata	1) Il presente prodotto finanziario escludeva gli emittenti direttamente coinvolti in entità che traevano più del 10% dei loro ricavi annuali dall'estrazione di carbone termico e/o dalla produzione di energia da carbone termico, fatta salva una possibilità per le entità che il Gestore degli Investimenti riteneva avessero un piano di transizione credibile per ridurre la loro dipendenza o esposizione al carbone termico a favore di forme di energia a minore intensità di carbonio, come le energie rinnovabili. 2) Il Gestore degli Investimenti ha mantenuto un obiettivo WACI al fine di ridurre l'intensità di carbonio complessiva di questo prodotto finanziario rispetto a un indice di riferimento scelto.
Impronta di carbonio	Elevata	
Intensità di gas serra delle imprese beneficiarie degli investimenti	Elevata	
Esposizione ad attività nel settore dei combustibili fossili	Elevata	
Consumo e produzione di energie non rinnovabili	Media	Il Gestore degli Investimenti ha monitorato questi PAI attraverso rapporti mensili sulle emissioni di carbonio del portafoglio, che includono i mix energetici delle società in portafoglio e sono collegati all'obiettivo di efficienza di carbonio di questo prodotto finanziario. Il Gestore degli Investimenti ha effettuato attività di engagement con alcuni emittenti laddove ritiene che vi sia l'opportunità per l'emittente di mitigare il proprio impatto su questo fattore.
Intensità del consumo energetico per settore ad alto impatto climatico	Bassa	
Attività che incidono negativamente sulle aree sensibili sotto il profilo della biodiversità	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità
Emissioni in acqua	Bassa	
Tasso di rifiuti pericolosi	Bassa	

		di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti
Violazione dei principi del Global Compact delle Nazioni Unite e delle linee guida dell'Organizzazione per la cooperazione e lo sviluppo economico (OCSE) destinate alle imprese multinazionali	Elevata	Nei casi in cui il Gestore degli Investimenti o il suo fornitore indipendente di dati ESG ritenga che un emittente abbia violato gravemente i principi UNGC e le linee guida dell'OCSE destinate alle imprese multinazionali, è stato chiesto al Comitato di idoneità ESG interno del Gestore degli Investimenti di stabilire se tale emittente debba rimanere idoneo all'investimento in questo prodotto finanziario. Le decisioni del Comitato di idoneità vengono registrate e attuate tramite il team di rischio e i gestori di portafoglio del Gestore degli Investimenti.
Politiche, procedure e meccanismi di conformità per monitorare la conformità ai principi del Global Compact delle Nazioni Unite e alle linee guida OCSE destinate alle imprese multinazionali	Elevata	
Divario retributivo di genere non corretto	Media	Il Gestore degli Investimenti monitora le controversie relative a questo fattore PAI e può scegliere di coinvolgere emittenti che non forniscono un'informativa adeguata, o di gestire i rischi relativi a questo fattore PAI. Il periodo di riferimento rappresenta il primo anno in cui il Gestore degli Investimenti ha monitorato formalmente questo PAI. Il Gestore degli Investimenti prenderà in considerazione ulteriori azioni per mitigarlo una volta che avrà potuto confrontare i diversi investimenti su un periodo di ricerca più lungo. In alcune circostanze il Gestore degli Investimenti può decidere di rifiutare un'opportunità di investimento o di disinvestire da entità che causano gravi effetti negativi su questo fattore. Principali effetti.
Diversità di genere nel consiglio	Media	
Esposizione ad armi controverse	Elevata	
Investimenti effettuati in imprese che non adottano iniziative per ridurre le emissioni di carbonio	Media	
Insufficiente protezione degli informatori	Media	
Assenza di una politica in materia di diritti umani	Elevata	
Assenza di politiche di lotta alla corruzione attiva e passiva	Elevata	

Quali sono stati i principali investimenti di questo prodotto finanziario?

L'elenco comprende gli investimenti che hanno costituito la **quota maggiore di investimenti** del prodotto finanziario durante il periodo di riferimento, ossia:

1° gennaio 2022 – 31 dicembre 2022

Investimenti di maggiore entità	Settore	% di attivi	Paese
Treasury Bill	Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	2,22%	US
Royal Caribbean Cruises	Trasporto e magazzinaggio	1,20%	US
Onemain Finance Corp	Attività finanziarie e assicurative	1,06%	US
Carnival Corp	Trasporto e magazzinaggio	1,05%	US
Tenet Healthcare Corp	Attività dei servizi sanitari e di assistenza sociale	1,03%	US
US Treasury N/b	Amministrazione pubblica e difesa; assicurazione sociale obbligatoria	0,95%	US
Csc Holdings Llc	Informazione e comunicazione	0,84%	US
Navient Corp	Attività finanziarie e assicurative	0,79%	US
Cco Hldgs Llc/cap Corp	Informazione e comunicazione	0,76%	US
Service Corp Intl	Altre attività di servizi	0,75%	US
Arabian Centres Sukuk Ii	Attività immobiliari	0,74%	SA
Caesars Entertain Inc	Arte, spettacoli e tempo libero	0,72%	US
Virgin Media Vendor Fin	Informazione e comunicazione	0,70%	IE
Ford Motor Company	Attività manifatturiere	0,68%	US
Service Properties Trust	Attività immobiliari	0,68%	US

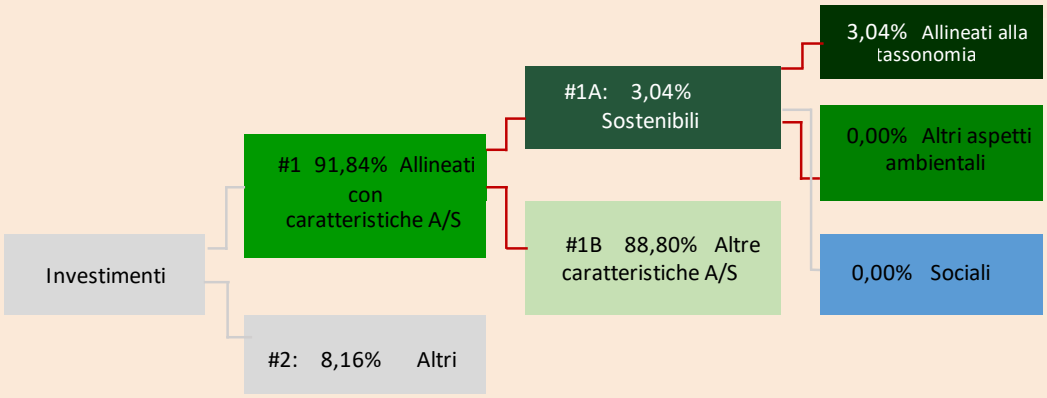
Le percentuali di attivi indicate sono calcolate come allocazione media agli emittenti al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022.

Qual è stata la quota degli investimenti in materia di sostenibilità?

La quota di investimenti legati alla sostenibilità per questo prodotto finanziario nel corso del periodo di riferimento è illustrata nel grafico seguente.

L'**allocazione degli attivi** descrive la quota di investimenti in attivi specifici.

Qual è stata l'allocazione degli attivi?



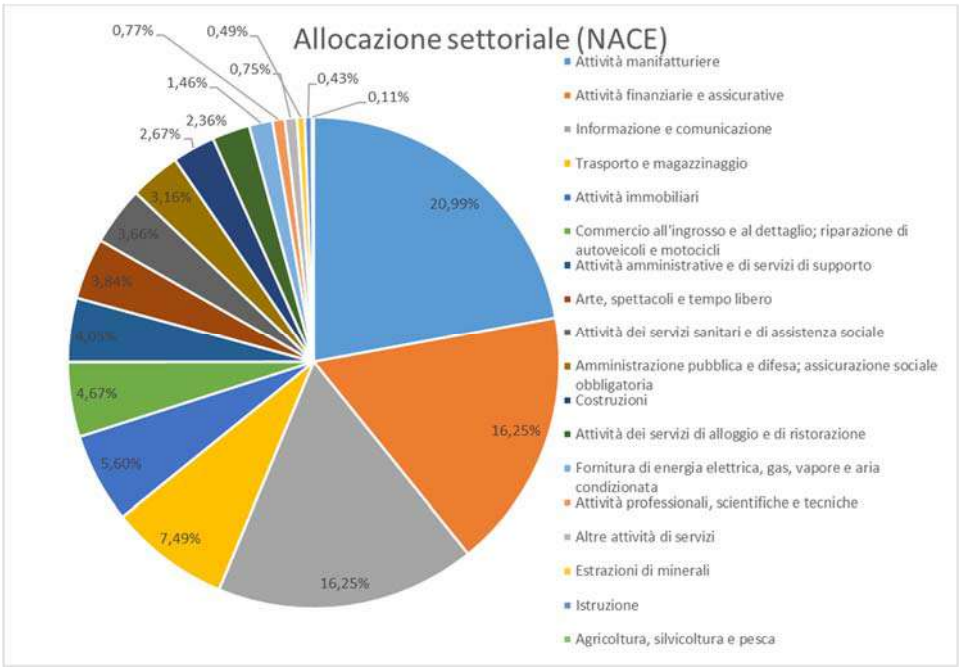
#1 Allineati con caratteristiche A/S comprende gli investimenti del prodotto finanziario utilizzati per rispettare le caratteristiche ambientali o sociali promosse dal prodotto finanziario.

#2 Altri comprende gli investimenti rimanenti del prodotto finanziario che non sono allineati con le caratteristiche ambientali o sociali, né sono considerati investimenti sostenibili.

La categoria **#1 Allineati con caratteristiche A/S** comprende:
- la sottocategoria **#1A Sostenibili**, che contempla gli investimenti sostenibili dal punto di vista ambientale e sociale;
- la sottocategoria **#1B Altre caratteristiche A/S**, che contempla gli investimenti allineati con le caratteristiche ambientali o sociali che non sono considerati investimenti sostenibili.

Conformemente alla tassonomia dell'UE, i criteri per il **gas fossile** includono limitazioni alle emissioni e il passaggio a energia completamente rinnovabile o a combustibili a basso contenuto di carbonio entro la fine del 2035. Per quanto riguarda l'**energia nucleare**, i criteri includono norme esaustive sulla sicurezza e sulla gestione delle scorie.

In quali settori economici sono stati effettuati gli investimenti?



L'allocazione settoriale è calcolata come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

Le **attività abilitanti** consentono direttamente ad altre attività di apportare un contributo sostanziale a un obiettivo ambientale.

Le **attività di transizione** sono attività per le quali non sono ancora disponibili alternative a basse emissioni di carbonio e che presentano, tra l'altro, livelli di emissione di gas a effetto serra corrispondenti alla migliore prestazione.

In quale misura gli investimenti sostenibili con un obiettivo ambientale erano allineati alla tassonomia dell'UE?

Questo prodotto finanziario non ha fissato un'allocazione minima per gli investimenti sostenibili allineati alla tassonomia dell'UE. Tuttavia, ha effettuato alcuni investimenti allineati alla tassonomia dell'UE, come illustrato di seguito.

Le attività allineate alla tassonomia sono espresse in percentuale di:
- **fatturato**: riflette il carattere ecologico attuale delle imprese beneficiarie degli investimenti;
- **spese in conto capitale** (CapEx): rivelano gli investimenti verdi effettuati dalle imprese beneficiarie degli investimenti, utili per la transizione verso un'economia verde;
- **spese operative** (OpEx): illustrano le attività operative verdi delle imprese beneficiarie degli investimenti.

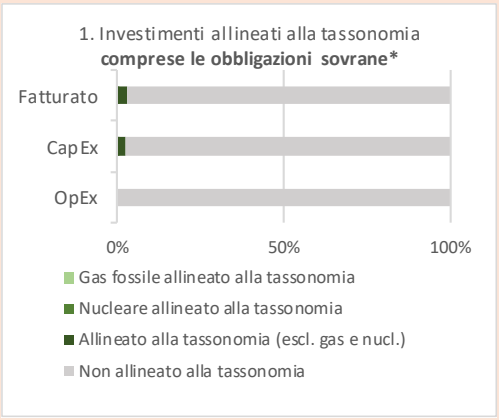
Il prodotto finanziario ha investito in attività legate al gas fossile e/o all'energia nucleare conformi alla tassonomia dell'UE[1]?

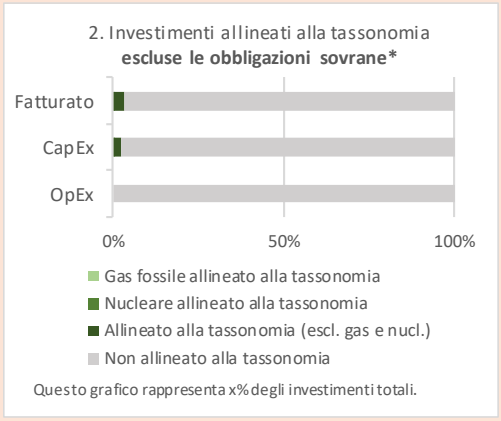
☒ Sì_____

☐ In gas fossile ☒ In energia nucleare

☐ No

I due grafici che seguono mostrano in verde la percentuale di investimenti che erano allineati alla tassonomia dell'UE. Poiché non esiste una metodologia adeguata per determinare l'allineamento delle obbligazioni sovrane alla tassonomia, il primo grafico mostra l'allineamento alla tassonomia in relazione a tutti gli investimenti del prodotto finanziario comprese le obbligazioni sovrane, mentre il secondo grafico mostra l'allineamento alla tassonomia solo in relazione agli investimenti del prodotto finanziario diversi dalle obbligazioni sovrane.*





**Ai fini dei grafici di cui sopra, per "obbligazioni sovrane" si intendono tutte le esposizioni sovrane.*

1. Investimenti allineati alla tassonomia **comprese** le obbligazioni sovrane*

	OpEx	CapEx	Fatturato
Gas fossile allineato alla tassonomia	0,00%	0,00%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,06%	0,01%
Allineato alla tassonomia (escl. gas e nucl.)	0,00%	2,28%	3,03%
Non allineato alla tassonomia	100,00%	97,66%	96,96%

2. Investimenti allineati alla tassonomia **escluse** le obbligazioni sovrane*

	OpEx	CapEx	Fatturato
Gas fossile allineato alla tassonomia	0,00%	0,00%	0,00%
Nucleare allineato alla tassonomia	0,00%	0,06%	0,01%
Allineato alla tassonomia (escl. gas e nucl.)	0,00%	2,36%	3,14%
Non allineato alla tassonomia	100,00%	97,58%	96,85%

[1]Le attività legate al gas fossile e/o al nucleare saranno conformi alla tassonomia dell'UE solo se contribuiranno a limitare i cambiamenti climatici ("mitigazione dei cambiamenti climatici") e non arrecheranno danni significativi ad alcun obiettivo della tassonomia dell'UE - si veda la nota esplicativa sul margine sinistro. I criteri completi per le attività economiche legate all'energia fossile e nucleare conformi alla tassonomia dell'UE sono stabiliti nel regolamento delegato (UE) 2022/1214 della Commissione.

I dati di allineamento alla tassonomia dell'UE sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti. L'allineamento alla tassonomia del gas fossile e/o dell'energia nucleare comprende qualsiasi emittente che abbia ricavi superiori allo 0% derivanti da tali settori.

- ***Qual era la quota degli investimenti effettuati in attività transitorie e abilitanti?***

Questo prodotto finanziario ha effettuato investimenti in attività di transizione e/o abilitanti come segue:

Investimenti in attività di transizione e abilitanti	
Attività di transizione	0,64%
Attività abilitanti	0,00%

Questi dati di allineamento alla tassonomia sono calcolati come allocazione media di questo prodotto finanziario al 31/03/2022, 30/06/2022, 30/09/2022 e 31/12/2022. I calcoli escludono le allocazioni in contanti.

- ***Qual è l'esito del raffronto della percentuale di investimenti che erano allineati alla tassonomia dell'UE rispetto ai precedenti periodi di riferimento?***

Non applicabile, in quanto si tratta del primo periodo per il quale il Gestore degli Investimenti presenta una relazione su questo prodotto finanziario.


Sono investimenti sostenibili con un obiettivo ambientale che **non tengono conto dei criteri** per le attività economiche ecosostenibili a norma del regolamento (UE) 2020/852.



Qual era la quota di investimenti sostenibili con un obiettivo ambientale non allineati alla tassonomia dell'UE?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti sostenibili non allineati con la tassonomia UE.



Qual era la quota di investimenti socialmente sostenibili?

Non applicabile, in quanto questo prodotto finanziario non ha effettuato investimenti socialmente sostenibili.



Quali investimenti erano compresi nella categoria "Altri", qual era il loro scopo ed esistevano garanzie minime di salvaguardia ambientale o sociale??

Gli investimenti inclusi nella voce "#2 Altri" rappresentano liquidità ed equivalenti di liquidità, strumenti del mercato monetario e alcuni strumenti di copertura, compresi i derivati. Tali investimenti sono detenuti per una serie di motivi, tra cui, a titolo esemplificativo, la gestione del rischio e/o per garantire un'adeguata liquidità, copertura e garanzia. Il Gestore degli Investimenti ritiene che queste partecipazioni non si riferiscano direttamente a un emittente specifico e quindi non siano collegate alla gestione dei rischi di sostenibilità e/o dei PAI. Il Gestore degli Investimenti non ritiene pertanto che sia possibile effettuare una determinazione ragionevole su considerazioni relative a salvaguardie ambientali o sociali minime, in parte a caUS della mancanza di dati rilevanti relativi a tali strumenti.

Quali azioni sono state adottate per soddisfare le caratteristiche ambientali e/o sociali durante il periodo di riferimento?

Il Gestore degli Investimenti effettua uno screening dell'universo investibile di questo prodotto finanziario su base trimestrale per produrre elenchi di emittenti idonei o non idonei all'investimento. Tali elenchi sono stati programmati nei sistemi di trade compliance del Gestore degli Investimenti per evitare investimenti in emittenti non idonei e per monitorare e identificare qualsiasi potenziale violazione passiva dei criteri.

Il Gestore degli Investimenti ha redatto rapporti mensili sull'impronta di carbonio per quil presente esto prodotto finanziario per garantire il rispetto del suo obiettivo di intensità di carbonio. Il Gestore degli Investimenti viene informato di eventuali violazioni per garantire che vengano rettificate entro la fine del mese successivo. Al Gestore degli Investimenti viene fornito un elenco degli emittenti con le emissioni più elevate in portafoglio, in modo da poter prendere decisioni informate in merito al mantenimento di un'intensità di carbonio inferiore agli obiettivi dichiarati.

Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?

Non è stato designato un benchmark di riferimento per il raggiungimento delle caratteristiche ambientali o sociali promosse da questo prodotto finanziario. Tuttavia è stato utilizzato un indice di riferimento per misurare e pubblicare il raggiungimento dell'obiettivo WACI. Il benchmark di riferimento utilizzato da questo prodotto finanziario è un indice mainstream ed è utilizzato solo per il confronto delle caratteristiche ambientali. L'indice mainstream non considera i fattori ESG e non è quindi coerente con le caratteristiche ambientali e/o sociali promosse dal prodotto finanziario. L'allocazione degli attivi del portafoglio di questo prodotto finanziario non è vincolata ad alcun benchmark.

Gli **indici di riferimento** sono indici atti a misurare se il prodotto finanziario rispetti le caratteristiche ambientali o sociali che promuove.

- ***In che modo l'indice di riferimento differisce da un indice generale di mercato?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario in relazione agli indicatori di sostenibilità per determinare l'allineamento dell'indice di riferimento con le caratteristiche ambientali o sociali promosse?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice di riferimento?***

  Non applicabile

- ***Qual è stata la prestazione di questo prodotto finanziario rispetto all'indice generale di mercato?***

  Non applicabile

01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Biotech**

Legal entity identifier: **549300HEJK1QY30BWK41**

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☒	**Yes**	☐	**No**
☐	It made **sustainable investments with an environmental objective**: ___%	☐	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
	☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☐ with a social objective
☒	It made **sustainable investments with a social objective**: 97.93%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent was the sustainable investment objective of this financial product met?

Main ways in which the fund achieved its sustainable objective:

- Positive impact:

The fund achieved a positive social impact by investing at least two-thirds of its total assets/total wealth in companies supporting the health of people with high innovation capacity. Better therapies can deliver true value to patients and healthcare systems alike. These companies are tackling high unmet medical needs and reduce the pressures on healthcare budgets through the reduction of hospital admissions or symptom management.

No reference index has been designated for the purpose of attaining the sustainable investment objective.

The fund invested mainly in companies whose significant proportion of their activities are related to new mechanisms of actions offering potential cures or management of diseases that were hard to treat before, technology platforms, research tools and services in the biotechnology value chain as well as the improvement of therapies or drugs and other relevant economic activities.

Eligible securities included equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights. The fund also engaged with the management of companies on material ESG issues.

- Sustainable Investments:

Pictet Asset Management used a proprietary framework as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to social objectives such as:

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

97.93%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

0.00%

Additional information on specific social objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of its investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment as detailed below:

Controversial activities (weighted average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	4.15
Weapons	0.00	0.99
Other controversial activities	0.00	1.02
Not applicable:	0.51	0.00
Not covered:	2.41	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 62 general assembly meetings out of 62 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 66.13% of meetings.

Out of 451 management resolutions, we voted against management on 39 items (8.65%) and abstained on 49 items (10.86%).

We supported 4 (50.00%) shareholder resolutions out of 8 proposals.

In respect to Environmental and/or Social issues we voted for 1 out of 1 management resolutions and for 3 out of 3 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 16 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were excluded.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality and the availability of data are expected to improve over time.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as well as the exposure to sustainable investments as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organization, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers to address either significant ESG concerns, improve companies' sustainability practices or engage on positive impact topics to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
VERTEX PHARMACEUTICALS INC	Health Care	5.7	United States
ARGENX SE - ADR	Health Care	5.4	Netherlands
BIOGEN INC	Health Care	5.3	United States
BIOMARIN PHARMACEUTICAL INC	Health Care	4.4	United States
REGENERON PHARMACEUTICALS	Health Care	3.5	United States
SEAGEN INC	Health Care	3.1	United States
XENON PHARMACEUTICALS INC	Health Care	2.9	Canada

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
GILEAD SCIENCES INC	Health Care	2.8	United States
AMICUS THERAPEUTICS INC	Health Care	2.7	United States
SAREPTA THERAPEUTICS INC	Health Care	2.7	United States
AMGEN INC	Health Care	2.5	United States
ALNYLAM PHARMACEUTICALS INC	Health Care	2.5	United States
INSMED INC	Health Care	2.4	United States
INTRA-CELLULAR THERAPIES INC	Health Care	2.4	United States
GENMAB A/S	Health Care	2.4	Denmark

Source: Pictet Asset Management, GICS/MSCI.

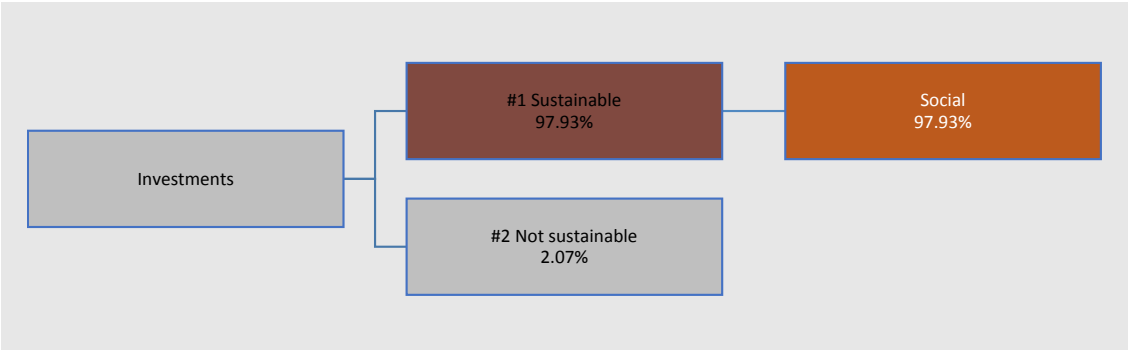
What was the proportion of sustainability-related investments?

97.93%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund allocated 97.93% of its assets to Sustainable investments (#1 Sustainable) and 2.07% to Not sustainable investments (#2 Not sustainable). 0.00% of its assets is allocated to environmental objectives and 97.93% to social objectives.



#1 Sustainable covers sustainable investments with environmental or social objectives.

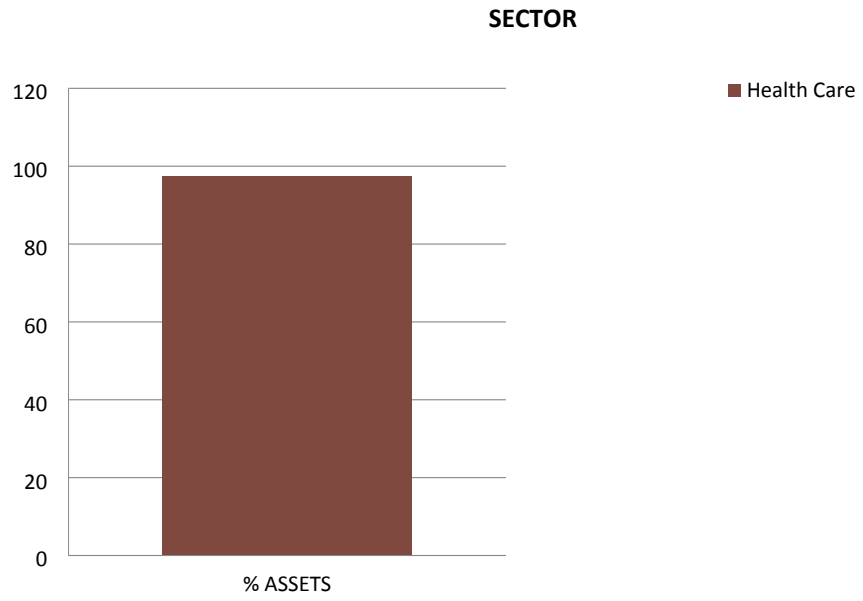
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Notes:

- "#1A Sustainable" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework based on the Report on Social Taxonomy published in 2022 by the EU Platform on Sustainable Finance. Eligible activities are defined as goods and services that substantially contribute to one of the following three objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, FTSE Green revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

Not applicable.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

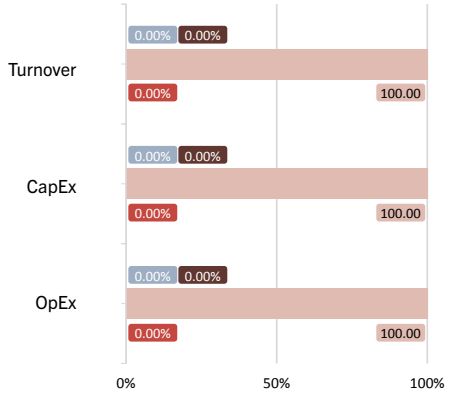
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

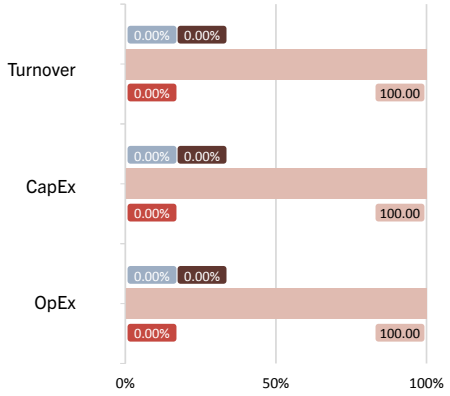
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 97.93% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What was the share of investments made in transitional and enabling activities?**
  Not applicable.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
  Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

0.00%

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

97.93%

What investments were included under "not sustainable", what was their purpose and were

there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to attain the sustainable investment objective during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 80% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as new mechanisms of actions offering potential cures or management of diseases that were hard to treat before, technology platforms, research tools and services in the biotechnology value chain as well as the improvement of therapies or drugs and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 16 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Clean Energy Transition**

Legal entity identifier: **549300RO1K3C2PFOGH13**

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☒	**Yes**	☐	**No**
☒	It made **sustainable investments with an environmental objective**: 88.08%	☐	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
	☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☐ with a social objective
☒	It made **sustainable investments with a social objective**: 10.46%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent was the sustainable investment objective of this financial product met?

Main ways in which the fund achieved its sustainable objective:

- Positive impact:

The fund achieved a positive environmental impact by investing at least two-thirds of its total assets/total wealth in shares issued companies that support the structural change towards a sustainable, low-carbon economy, helping to reduce greenhouse gas emissions and air pollution.

No reference index has been designated for the purpose of attaining the sustainable investment objective.

The fund invested mainly in companies whose significant proportion of their activities are related to, but not limited to, renewable energy, technologies that reduce CO2 emissions or energy consumption in areas such as industry, buildings or transportation, and enabling technologies and infrastructure that are critical preconditions for the transition to a low carbon economy, such as energy storage, power semiconductors, investments into the power grid and other relevant economic activities.

Eligible securities included equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
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Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
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Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
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For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

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- Active ownership:

The fund methodically exercised its voting rights. The fund also engaged with the management of companies on material ESG issues.

- Sustainable Investments:

Pictet Asset Management used a proprietary framework as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystem

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

98.54%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

9.27%

Additional information on specific environmental objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result, the fund has achieved a better environmental, social and governance (ESG) profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of its investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment as detailed below:

Controversial activities (weighted average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	1.99	4.15
Weapons	0.45	0.99
Other controversial activities	0.01	1.02
Not applicable:	0.32	0.00
Not covered:	0.03	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 50 general assembly meetings out of 50 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 30.00% of meetings.

Out of 688 management resolutions, we voted against management on 26 items (3.78%) and abstained on 20 items (2.91%).

We supported 7 (46.67%) shareholder resolutions out of 15 proposals.

In respect to Environmental and/or Social issues we voted for 3 out of 3 management resolutions and for 0 out of 2 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 17 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were excluded.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors

How were the indicators for adverse impacts on sustainability factors taken into account?

Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality and the availability of data are expected to improve over time.

relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

More information is disclosed in the PAI entity report available under:

https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as well as the exposure to sustainable investments as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organization, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers to address either significant ESG concerns, improve companies' sustainability practices or engage on positive impact topics to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
NEXTERA ENERGY INC	Utilities	5.0	United States
ON SEMICONDUCTOR	Information Technology	4.8	United States

financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
APPLIED MATERIALS INC	Information Technology	4.5	United States
SYNOPSYS INC	Information Technology	4.4	United States
NXP SEMICONDUCTORS NV	Information Technology	4.1	Netherlands
ANALOG DEVICES INC	Information Technology	4.0	United States
ASML HOLDING NV	Information Technology	3.9	Netherlands
RWE AG	Utilities	3.8	Germany
MARVELL TECHNOLOGY INC	Information Technology	3.8	United States
TOPBUILD CORP	Consumer Discretionary	3.7	United States
LINDE PLC	Materials	3.5	United Kingdom
IBERDROLA SA	Utilities	3.4	Spain
ALBEMARLE CORP	Materials	3.1	United States

Source: Pictet Asset Management, GICS/MSCI.

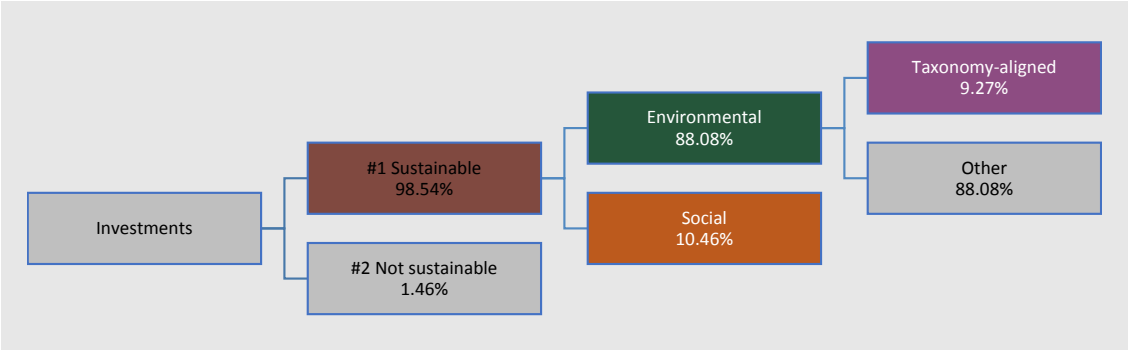
What was the proportion of sustainability-related investments?

98.54%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund allocated 98.54% of its assets to Sustainable investments (#1 Sustainable) and 1.46% to Not sustainable investments (#2 Not sustainable). 88.08% of its assets is allocated to environmental objectives and 10.46% to social objectives.



#1 Sustainable covers sustainable investments with environmental or social objectives.

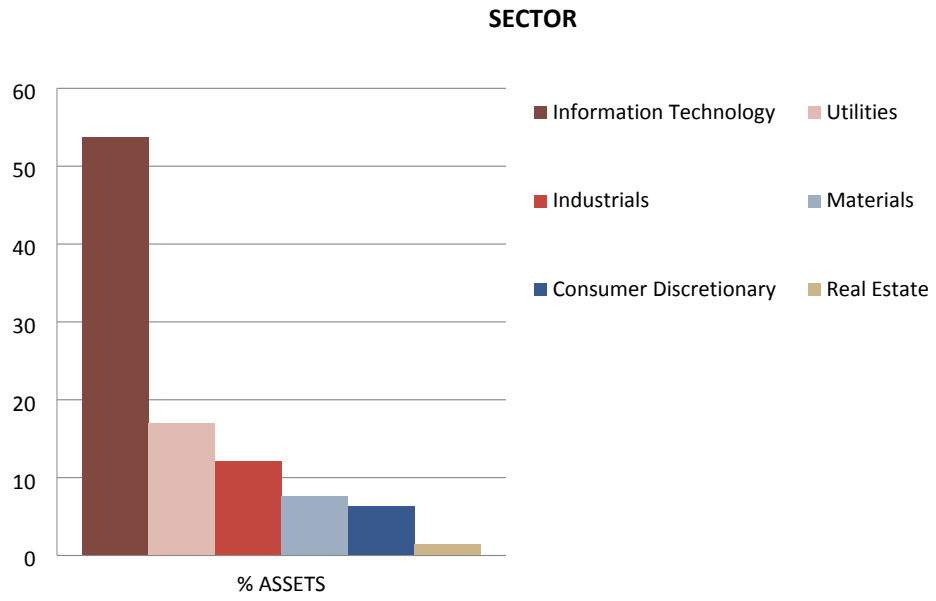
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework based on the Report on Social Taxonomy published in 2022 by the EU Platform on Sustainable Finance. Eligible activities are defined as goods and services that substantially contribute to one of the following three objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, FTSE Green revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

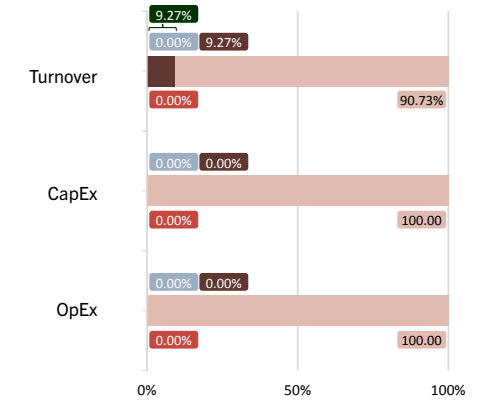
The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

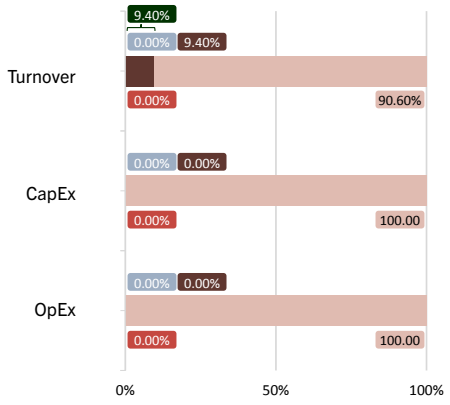
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas and nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas and nuclear)
- Non Taxonomy-aligned

This graph represents 98.54% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

88.08%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally

sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

10.46%

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.

What actions have been taken to attain the sustainable investment objective during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 80% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as renewable energy, technologies that reduce CO2 emissions or energy consumption in areas such as industry, buildings or transportation, and enabling technologies and infrastructure that are critical preconditions for the transition to a low carbon economy, such as energy storage, power semiconductors and investments into the power grid and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 17 companies as of 30.09.2023.

How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

How did the reference benchmark differ from a broad market index?

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Global Environmental Opportunities**

Legal entity identifier: **549300NZP1SIONC13983**

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● ☒ Yes	●● ☐ No
☒ It made **sustainable investments with an environmental objective**: 71.18%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective**: 26.53%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent was the sustainable investment objective of this financial product met?

Main ways in which the fund achieved its sustainable objective:

- Positive impact:

This fund achieved a positive environmental and/or social impact by investing mainly in companies with a low environmental footprint that contribute to solving global environmental challenges by providing products and services in the environmental value chain. These products and services are needed to support the transition towards a lower carbon economy, a circular economy model, monitor and prevent pollution or for example protect scarce resources such as water.

No reference index has been designated for the purpose of attaining the sustainable investment objective.

The fund invested mainly in companies whose significant proportion of their activities are related to, but not limited to, energy efficiency, renewable energy, pollution control, water supply & technology, waste management & recycling, sustainable agriculture & forestry, dematerialized economy and other relevant economic activities.

Eligible securities included equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights. The fund also engaged with the management of companies on material ESG issues.

- Sustainable Investments:

Pictet Asset Management used a proprietary framework as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystem

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

97.71%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

3.08%

Additional information on specific environmental and/or social objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result, the fund has achieved a better environmental, social and governance (ESG) profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of its investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment as detailed below:

Controversial activities (weighted average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.02	4.15
Weapons	0.28	0.99
Other controversial activities	0.02	1.02
Not applicable:	0.54	0.00
Not covered:	0.05	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 43 general assembly meetings out of 43 votable meetings (100.00%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 20.93% of meetings.

Out of 645 management resolutions, we voted against management on 12 items (1.86%) and abstained on 0 items (0.00%).

We supported 4 (44.44%) shareholder resolutions out of 9 proposals.

In respect to Environmental and/or Social issues we voted for 1 out of 1 management resolutions and for 1 out of 3 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 22 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were excluded.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality and the availability of data are expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

  More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as well as the exposure to sustainable investments as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organization, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers to address either significant ESG concerns, improve companies' sustainability practices or engage on positive impact topics to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
AMERICAN WATER WORKS CO INC	Utilities	3.9	United States
REPUBLIC SERVICES INC	Industrials	3.7	United States
ANSYS INC	Information Technology	3.6	United States
EATON CORP PLC	Industrials	3.5	United States
SYNOPSYS INC	Information Technology	3.5	United States
AGILENT TECHNOLOGIES INC	Health Care	3.4	United States
THERMO FISHER SCIENTIFIC INC	Health Care	3.2	United States
CADENCE DESIGN SYS INC	Information Technology	3.2	United States
APPLIED MATERIALS INC	Information Technology	3.1	United States
TETRA TECH INC	Industrials	3.1	United States
AECOM	Industrials	3.0	United States
WASTE CONNECTIONS INC	Industrials	2.9	Canada
SCHNEIDER ELECTRIC SE	Industrials	2.9	France
INFINEON TECHNOLOGIES AG	Information Technology	2.6	Germany
XYLEM INC	Industrials	2.6	United States

Source: Pictet Asset Management, GICS/MSCI.

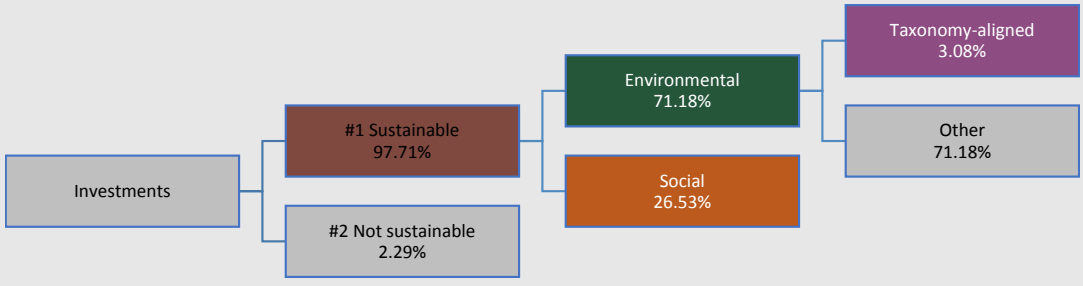
What was the proportion of sustainability-related investments?

97.71%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund allocated 97.71% of its assets to Sustainable investments (#1 Sustainable) and 2.29% to Not sustainable investments (#2 Not sustainable). 71.18% of its assets is allocated to environmental objectives and 26.53% to social objectives.



#1 Sustainable covers sustainable investments with environmental or social objectives.

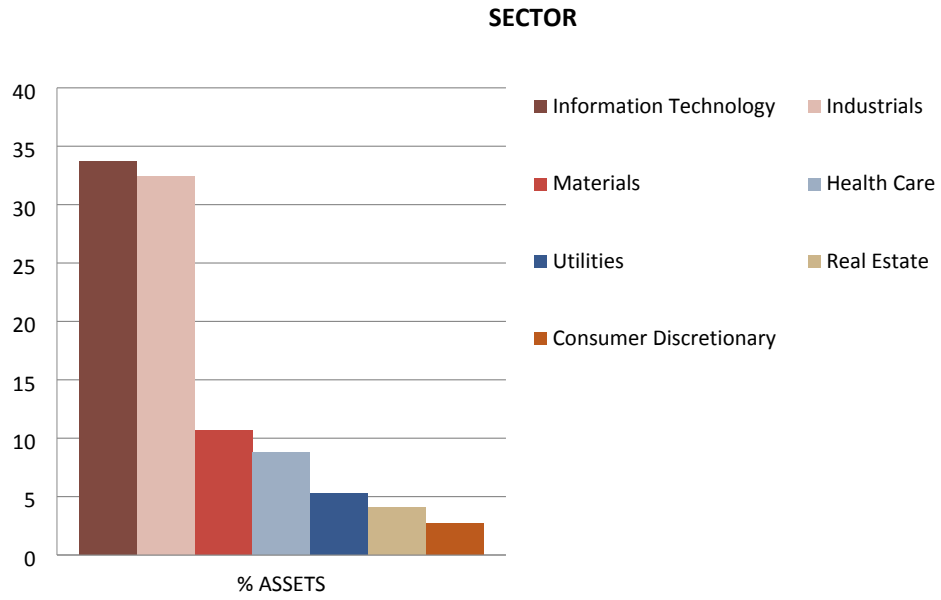
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework based on the Report on Social Taxonomy published in 2022 by the EU Platform on Sustainable Finance. Eligible activities are defined as goods and services that substantially contribute to one of the following three objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, FTSE Green revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

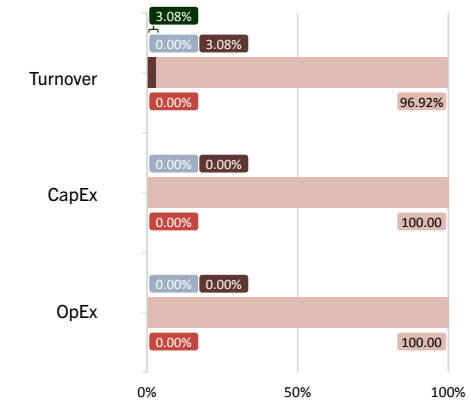
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

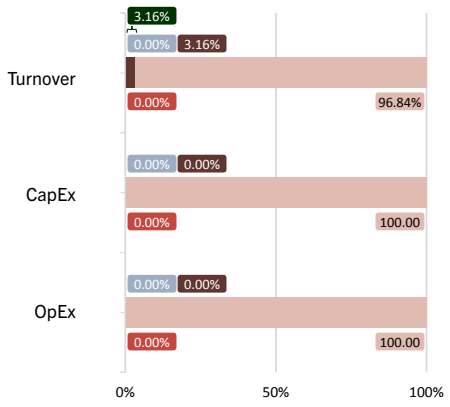
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



Taxonomy-aligned: Fossil gas
Taxonomy-aligned: Nuclear
Taxonomy-aligned (no fossil gas and nuclear)
Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*



Taxonomy-aligned: Fossil gas
Taxonomy-aligned: Nuclear
Taxonomy-aligned (no fossil gas and nuclear)
Non Taxonomy-aligned

This graph represents 97.72% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

71.18%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

26.53%

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.

What actions have been taken to attain the sustainable investment objective during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 80% of sustainable investments, i.e. investments in companies that have a significant exposure to activities that provide solutions to environmental challenges such as energy efficiency, renewable energy, pollution control, water supply and technology, waste management and recycling, sustainable agriculture and forestry and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 22 companies as of 30.09.2023.

How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Global Megatrend Selection**

Legal entity identifier: **549300HMJRYVBYQOZ025**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐	**Yes**	☒	**No**
☐	It made **sustainable investments with an environmental objective**: ___%	☒	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **84.19%** of sustainable investments
	☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☒ with a social objective
☐	It made **sustainable investments with a social objective**: ___%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive impact:

The fund achieved a positive environmental and/or social impact by investing at least two-thirds of its total assets in securities that may benefit from global megatrends, i.e. long-term market trends resulting from secular changes in economic, social and environmental factors such as demographics, lifestyle or regulations.

The fund invested mainly in companies whose significant proportion of their activities are related to products and services supporting the energy transition, circular economy, energy efficiency, water quality and supply, sustainable forestry, sustainable cities, nutrition, human health and therapeutics, personal self-fulfilment and security and other relevant economic activities.

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

84.19%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

1.66%

Additional information on specific environmental and/or social objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.19	4.15
Weapons	0.09	0.99
Other controversial activities	0.07	1.02
Not applicable:	0.88	0.00
Not covered:	0.40	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 465 general assembly meetings out of 471 votable meetings (98.73%). We voted “against” (incl. “abstained” or “withhold”) at least one resolution at 40.55% of meetings.

Out of 5652 management resolutions, we voted against management on 296 items (5.24%) and abstained on 142 items (2.51%).

We supported 120 (59.70%) shareholder resolutions out of 201 proposals.

In respect to Environmental and/or Social issues we voted for 24 out of 24 management resolutions and for 66 out of 98 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 131 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Pictet Asset Management used a proprietary reference frameworks as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
THERMO FISHER SCIENTIFIC INC	Health Care	1.2	United States
VISA INC-CLASS A SHARES	Financials	1.0	United States
WASTE MANAGEMENT INC	Industrials	0.9	United States
COMPASS GROUP PLC	Consumer Discretionary	0.9	United Kingdom
WASTE CONNECTIONS INC	Industrials	0.9	Canada
ECOLAB INC	Materials	0.9	United States
NXP SEMICONDUCTORS NV	Information Technology	0.9	Netherlands
SALESFORCE INC	Information Technology	0.8	United States
UNITEDHEALTH GROUP INC	Health Care	0.8	United States
SPLUNK INC	Information Technology	0.8	United States
REPUBLIC SERVICES INC	Industrials	0.8	United States
SYNOPSYS INC	Information Technology	0.8	United States
EQUINIX INC	Real Estate	0.8	United States
BOOKING HOLDINGS INC	Consumer Discretionary	0.7	United States
NETFLIX INC	Communication Services	0.7	United States

Source: Pictet Asset Management, GICS/MSCI.

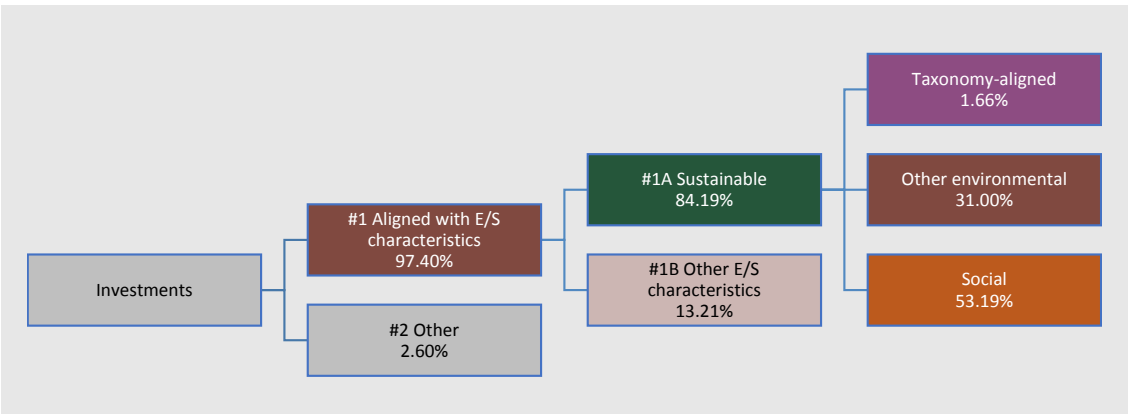
What was the proportion of sustainability-related investments?

84.19%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 97.40% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 2.60% invested in Other (#2 Other). 84.19% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

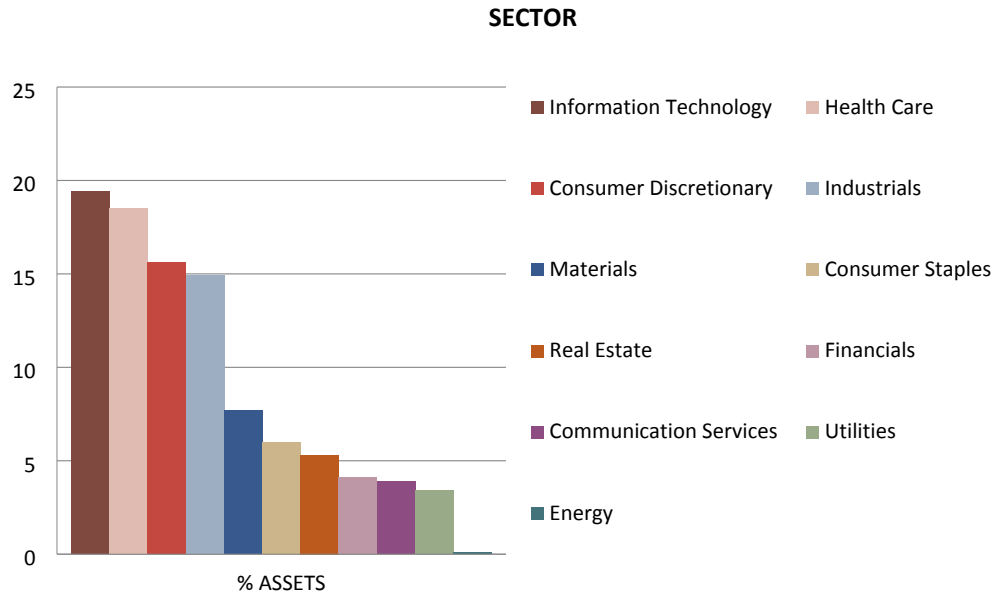
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

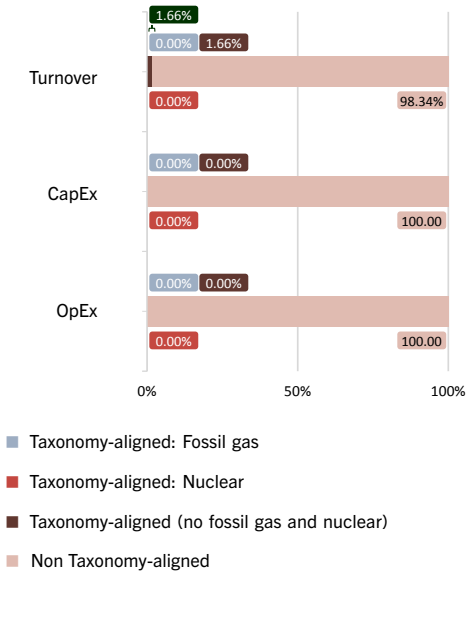
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

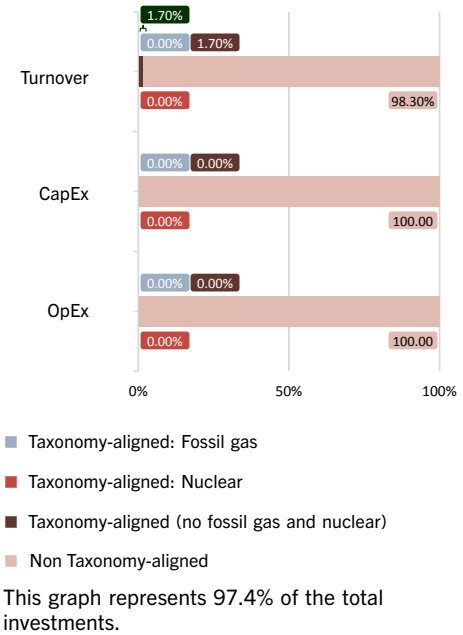
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 97.4% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What was the share of investments made in transitional and enabling activities?**

  The share of investments made in:

  - Transitional activities: Not applicable*
  - Enabling activities: Not applicable*

  *The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

  Not applicable.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

31.00%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

53.19%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 51% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as products and services supporting the energy transition, circular economy, energy efficiency, water quality and supply, sustainable forestry, sustainable cities, nutrition, human health and therapeutics, personal self-fulfilment and security and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco

production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities

- severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption

- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 131 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - SmartCity**

Legal entity identifier: **549300H4DRA43I4QJI74**

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐	**Yes**	☒	**No**
☐	It made **sustainable investments with an environmental objective**: ___%	☒	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **99.28%** of sustainable investments
	☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☒ with a social objective
☐	It made **sustainable investments with a social objective**: ___%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and social characteristics of this financial product were promoted using:

- Positive impact:

The fund achieved a positive environmental and/or social impact by investing mainly in companies providing smarter solutions to the challenges of urbanization and improving the quality of life of city residents, in particular in the areas of the environment, safety, health, education, employment, community or mobility.

The fund invested mainly in companies whose significant proportion of their activities are related to, but not limited to, mobility and transportation, infrastructure, real estate, sustainable resources management (such as energy efficiency or waste management) as well as enabling technologies and services supporting the development of smart and sustainable cities and other relevant economic activities.

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	

Company Exclusions based on Controversial Activities and Revenue Thresholds	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management’s Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management’s Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights and engaged with the management of companies on material ESG issues.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

99.28%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

3.68%

Additional information on specific environmental and/or social objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result the fund has achieved a better environmental, social and governance (ESG) profile than the reference index.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of our investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment:

Controversial activities (weighted-average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.00	4.15
Weapons	0.06	0.99
Other controversial activities	0.00	1.02
Not applicable:	0.24	0.00
Not covered:	1.37	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 54 general assembly meetings out of 54 votable meetings (100.00%). We voted “against” (incl. “abstained” or “withhold”) at least one resolution at 42.59% of meetings.

Out of 684 management resolutions, we voted against management on 36 items (5.26%) and abstained on 11 items (1.61%).

We supported 13 (59.09%) shareholder resolutions out of 22 proposals.

In respect to Environmental and/or Social issues we voted for 4 out of 4 management resolutions and for 6 out of 12 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 11 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Pictet Asset Management used a proprietary reference frameworks as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystems

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were not counted as Sustainable Investments.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality of available data is expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities. More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union 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.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

(ii) proxy voting

The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organisation, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers on material ESG issues such as GHG reduction targets, governance improvements and on a range of environmental, social or governance controversies, to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

(iv) exclusion of issuers associated with controversial conduct or activities

The fund did not have any exposure to (i) companies that derived a significant portion of their revenue from activities detrimental to society or the environment as defined in Pictet Asset Management's Responsible Investment policy and/or (ii) companies that severely violated the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption and controversial weapons.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
VISA INC-CLASS A SHARES	Financials	4.6	United States
PROLOGIS INC	Real Estate	4.5	United States
SCHNEIDER ELECTRIC SE	Industrials	4.4	France
MASTERCARD INC - A	Financials	4.0	United States
CISCO SYSTEMS INC	Information Technology	4.0	United States
LOWE'S COS INC	Consumer Discretionary	3.7	United States
EQUINIX INC	Real Estate	3.6	United States
WASTE MANAGEMENT INC	Industrials	3.5	United States
SEGRO PLC	Real Estate	3.4	United Kingdom
AUTODESK INC	Information Technology	3.3	United States
HOME DEPOT INC	Consumer Discretionary	3.2	United States
CROWN CASTLE INTL CORP	Real Estate	3.1	United States
WASTE CONNECTIONS INC	Industrials	3.1	Canada
OTIS WORLDWIDE CORP	Industrials	3.1	United States

Source: Pictet Asset Management, GICS/MSCI.

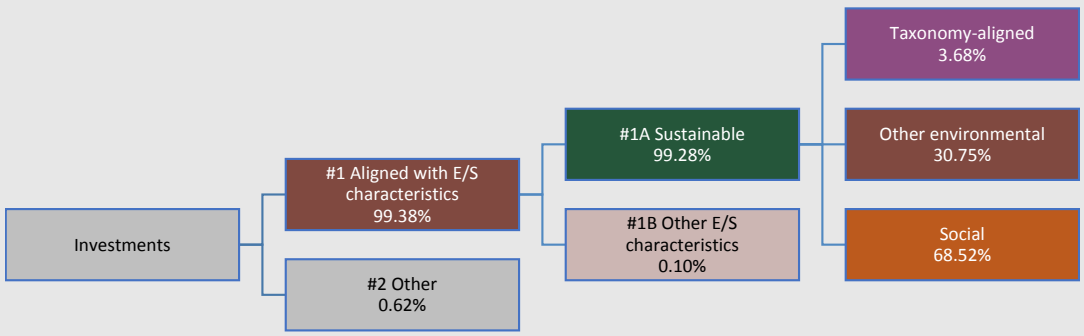
What was the proportion of sustainability-related investments?

99.28%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund was 99.38% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and had 0.62% invested in Other (#2 Other). 99.28% were allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder was invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).



#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.

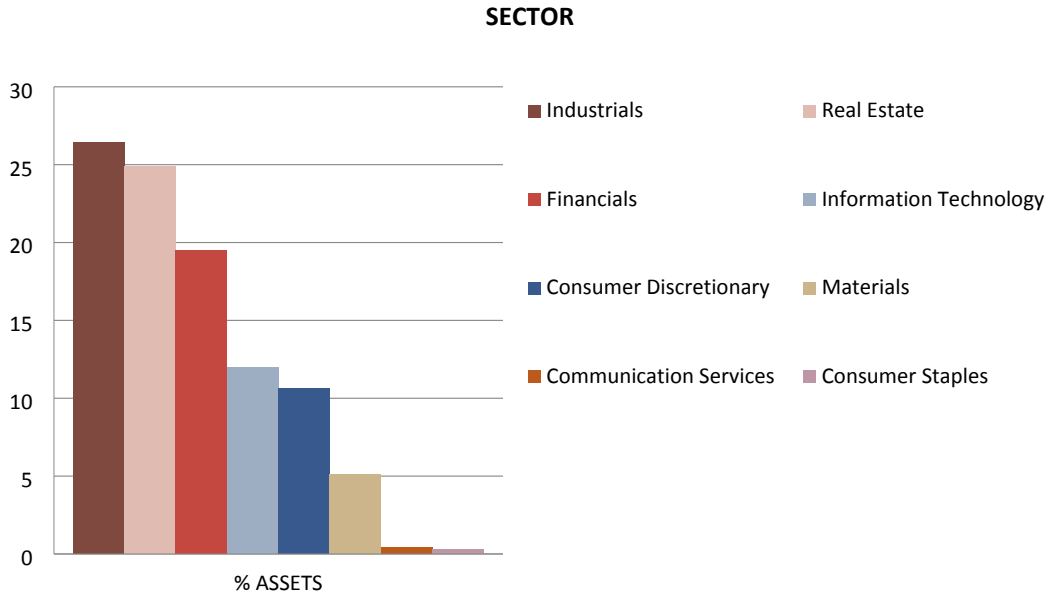
The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics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

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework. The framework is based on the Report on Social Taxonomy published by the EU Platform on Sustainable Finance in 2022. Eligible activities are defined as socially beneficial goods and services that substantially contribute to one of the following three social objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, Sustainanalytics, FTSE Green Revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

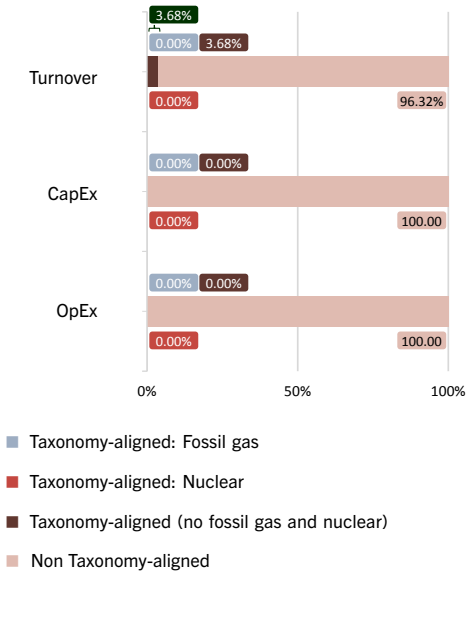
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

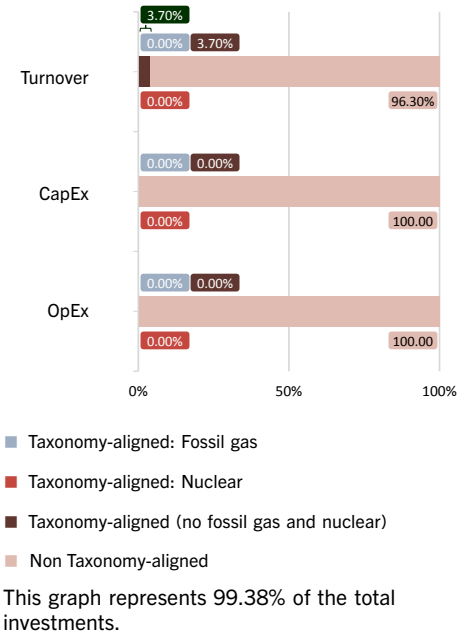
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 99.38% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What was the share of investments made in transitional and enabling activities?**

  The share of investments made in:

  - Transitional activities: Not applicable*
  - Enabling activities: Not applicable*

  *The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

  Not applicable.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

30.75%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

68.52%



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 51% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as smarter solutions to the challenges of urbanization and improving the quality of life of city residents, in particular in the areas of the environment, safety, health, education, employment, community or mobility (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:

- are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
- derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms

development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities

- severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption

- a better ESG profile than the reference index
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 11 companies as of 30.09.2023.



How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did the reference benchmark differ from a broad market index?

Not applicable.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

How did this financial product perform compared with the reference benchmark?

Not applicable.

How did this financial product perform compared with the broad market index?

Not applicable.

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01.10.2022 - 30.09.2023

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: **Pictet - Timber**

Legal entity identifier: **5493007Y7JCK1EBOLJ63**

SUSTAINABLE INVESTMENT OBJECTIVE

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good Governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☒	**Yes**	☐	**No**
☒	It made **sustainable investments with an environmental objective**: 69.36%	☐	It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
	☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☐ with a social objective
☒	It made **sustainable investments with a social objective**: 27.95%	☐	It promoted E/S characteristics, but **did not make any sustainable investments**

Note: Sustainable investments were calculated on a pass/fail basis including labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure (as measured by revenue, EBIT, enterprise value or similar metrics) to economic activities that contributed to at least one environmental or social objective.

To what extent was the sustainable investment objective of this financial product met?

Main ways in which the fund achieved its sustainable objective:

- Positive impact:

The fund achieved a positive environmental and/or social impact by investing at least two-thirds of its total assets / total wealth in companies that contribute to solving global environmental challenges through sustainable forest management and wood-based materials. Sustainable management of forestland and the wood fibre value chain play a vital role in the sequestration of atmospheric carbon (CO2). Sustainably managed forests are also reservoirs of biodiversity and help to safeguard soil and water resources. Timber is the raw material for a growing variety of bio-based material that can substitute plastics and other non- biodegradable materials and are essential in a circular economy model.

No reference index has been designated for the purpose of attaining the sustainable investment objective.

The fund invested in companies whose significant proportion of their activities are related to, but not limited to, financing, planting, and management of forests and wooded areas and/or in the processing, production and distribution of wood and wood fibre based materials, products and related services along the entire forest value chain and other relevant economic activities.

Eligible securities included equities issued by companies with a significant proportion of activities (as measured by revenue, EBIT, enterprise value or similar metrics) derived from such economic activities.

- Norms- and values-based exclusions:

The fund excluded issuers that have significant activities with adverse impacts on society or the environment or are in severe breach of international norms as detailed below:

Company Exclusions based on Controversial Activities and Revenue Thresholds

Activity	Revenue Thresholds
Fossil Fuels and Nuclear Energy	
Thermal Coal Extraction	>25%
Thermal Coal Power Generation	>25%
Oil & Gas Production	>25%
Oil Sands Extraction	>10%
Shale Energy Extraction	>10%
Off-shore Arctic Oil & Gas Exploration	>10%
Nuclear Power Generation	>50%
Weapons	
Production of controversial weapons[1]	>0%
Military Contracting Weapons	>10%
Military Contracting Weapon-Related Products and/or Services	>50%
Small Arms Civilian Customers (Assault Weapons)	>10%
Small Arms Civilian Customers (Non-Assault Weapons)	>10%
Small Arms Military/Law Enforcement Customers	>25%
Small Arms Key Components	>25%
Other Controversial Activities	
Adult Entertainment Production	>10%
Gambling Operations	>10%
Genetically Modified Plants and Seeds Development	>25%
Genetically Modified Plants and Seeds Growth	>25%
Pesticides Production	>10%
Pesticides Retail	>10%
Tobacco Products Production	>10%

Company Exclusions based on Breaches of International Norms	Excluded
Companies in severe breach of UN Global Compact Principles on human rights, labour standards, environmental protection and anti-corruption	Yes

Country Exclusions	Excluded
Countries (i) listed as State Sponsors of Terrorism as defined by the Office of Foreign Assets Control[2] or (ii) subject to EU financial sanctions targeting central banks and/or State-Owned enterprises (SOEs)	Yes
Countries (i) classified as very high or high risk in the Fragile State Index or (ii) affected by violent conflict as defined by the World Bank	Yes
Countries (i) listed under “alert” on the Fragile State Index or (ii) subject to export related sanctions by the EU	Watchlist[3]

[1] Controversial weapons include anti-personnel mines, cluster munitions, biological & chemical weapons (including white phosphorous) and nuclear weapons from countries not signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).
[2] “State Sponsors of Terrorism" is a designation applied by the United States Department of State to countries that repeatedly provided support to acts of international terrorism.
[3] In addition to hard exclusions, Pictet Asset Management maintains a watchlist including countries that require additional due diligence by investment teams prior to investment.

For further details please refer to Pictet Asset Management's Responsible Investment policy (Appendix B).

In addition to the above exclusions based on Pictet Asset Management's Responsible Investment policy, the strategy applied stricter exclusion limits based on internal guidelines.

- Active ownership:

The fund methodically exercised its voting rights. The fund also engaged with the management of companies on material ESG issues.

- Sustainable Investments:

Pictet Asset Management used a proprietary framework as well as the objectives of the EU Taxonomy to define sustainable investments.

The fund invested in securities financing economic activities that substantially contributed to environmental and/or social objectives such as:

Environmental

- climate change mitigation or adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control, or
- protection and restoration of biodiversity and ecosystem

Social

- inclusive and sustainable communities
- adequate living standards and well-being for end users, or
- decent work

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

How did the sustainability indicators perform?

Over the reporting period the sustainability indicators performed as follows:

- **Exposure to companies that derive a significant proportion of revenue, EBIT, enterprise value or similar metrics from economic activities that contribute to environmental or social objectives, and labelled bonds where relevant to the asset class (sustainable investments):**

97.30%

- **Exposure to revenues from economic activities that contribute to climate change adaption and/or climate change mitigation (EU taxonomy-aligned investments):**

1.11%

Additional information on specific environmental and/or social objectives will be available in next year's report.

- **Overall ESG profile**

The fund increased the weight of securities with low sustainability risks and/or decreased the weight of securities with high sustainability risks.

As a result, the fund has achieved a better environmental, social and governance (ESG) profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics.

- **Principle Adverse Impact (PAI)**

The fund used a combination of approaches to consider and, where possible, mitigate material adverse impacts of its investments on society and the environment, such as GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, human rights, labour standards, corruption and bribery and public health.

The degree and the way these impacts were considered depended on factors such as the specific context of the investment that is causing the adverse impact, or the availability of reliable data.

In line with Pictet Asset Management's exclusion policy outlined in the firm's Responsible Investment policy (see table above for excluded activities and applied exclusion thresholds), the fund did not have any exposure to companies that derived a significant portion of their revenue from activities detrimental to society or the environment as detailed below:

Controversial activities (weighted average company revenues, in %)*:

	Fund (%)	**Reference Index** (%)
Fossil fuels and nuclear energy	0.12	4.15
Weapons	0.00	0.99
Other controversial activities	0.06	1.02
Not applicable:	0.86	0.00
Not covered:	0.74	0.02

**Fossil fuels and nuclear energy include thermal coal extraction and power generation, oil & gas production and extraction, shale energy extraction, off-shore arctic oil & gas exploration, and nuclear power generation. Weapons include military contracting (weapon and weapon related services), and small arms (civilian customers (assault/ non-assault weapons, military law enforcement, key components). Other controversial activities include tobacco production, adult entertainment production, gambling operation, GMS development or growth, pesticides production or retail. Exposures are based on third-party data and may not reflect our internal view. Pictet Asset Management retains full discretion over the implementation of exclusion criteria and reserves the right to deviate from third-party information on a case-by-case basis in instances where it is deemed incorrect or incomplete.*

Source: Pictet Asset Management, Sustainalytics.

In addition, the fund excluded issuers that had exposure to:

(i) PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

(ii) PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

- **Voting rights**

During the reference period, the fund voted at 61 general assembly meetings out of 66 votable meetings (92.42%). We voted "against" (incl. "abstained" or "withhold") at least one resolution at 37.88% of meetings.

Out of 860 management resolutions, we voted against management on 49 items (5.70%) and abstained on 16 items (1.86%).

We supported 11 (42.31%) shareholder resolutions out of 26 proposals.

In respect to Environmental and/or Social issues we voted for 1 out of 1 management resolutions and for 1 out of 4 shareholder resolutions.

Source: Pictet Asset Management, ISS ESG.

- **Engagement**

The fund engaged with 11 companies on ESG topics (data as of 30.09.2023). This includes in-house-led dialogues, collaborative investor initiatives, and third-party engagement services. To be considered an engagement, a dialogue with a targeted company must have a clear and measurable objective within a pre-defined time horizon. It is important to note that not all routine or monitoring interactions, even if they involve senior management or Board of Directors, are regarded as engagements in our assessment.

Source: Pictet Asset Management, Sustainalytics.

...and compared to previous periods?

This question will be addressed in future annual reports due to lack of a track record.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

To prevent sustainable investments from causing significant harm to any other environmental or social objective, the fund applied the following screening criteria on a best effort basis:

(i) Exclusions of issuers that have significant activities with adverse impacts on society or the environment (see description of RI exclusion framework).

(ii) Issuers associated with high and severe controversies were excluded.

Information were obtained from third-part providers and/or internal research. ESG information from third-party data providers may have been incomplete, inaccurate or unavailable. As a result, there was a risk that the Investment Manager may incorrectly assessed a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the fund. Incomplete, inaccurate or unavailable ESG data may also acted as a methodological limitation to a non-financial investment strategy (such as the application of ESG criteria or similar). Where identified, the Investment Manager sought to mitigate this risk through its own assessment. In the event that the ESG characteristics of a security held by the fund changed, resulting in the security being sold, the Investment Manager does not accept liability in relation to such change.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

- *How were the indicators for adverse impacts on sustainability factors taken into account?*

  Pictet Asset Management monitors all mandatory Principal Adverse Impact indicators (included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288) where we have robust data available. The quality and the availability of data are expected to improve over time.

  The fund considered and, where possible, mitigated adverse impacts of its investments on society and the environment that are deemed material to the investment strategy through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

  More information is disclosed in the PAI entity report available under:

  https://documents.am.pictet/?cat=marketing-permalink&dtyp=PAI&dla=en&bl=PAM

- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

  To ensure that sustainable investment did not cause significant harm to any sustainable investment objective, the fund excluded companies with high and severe violations of (i) the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption or (ii) OECD Guidelines for Multinationals, including severe social and employee issues.



How did this financial product consider principal adverse impacts on sustainability factors?

The fund considered and, where possible, mitigated adverse impacts that were deemed material to the investment strategy. Such adverse impacts included but were not limited to GHG emissions, air pollution, biodiversity loss, emissions to water, hazardous/radioactive waste, social and employee matters and corruption and bribery and were addressed through a combination of:

(i) portfolio management decisions

The investment team scored holdings according to an assessment of Environmental, Social & Governance risks and opportunities as well as the exposure to sustainable investments as part of the fund's scoring framework. Scores are determined on a qualitative basis by the investment managers, informed by fundamental research and quantitative ESG data - including data on Principle Adverse Impact, ESG data provided by the companies and data provided by third-party ESG data providers. The investment team's scoring process was a key component of the compartment's portfolio construction process, determining target weights in the portfolio.

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The fund followed Pictet Asset Management's voting guidelines which are designed to support a strong culture of corporate governance, effective management of environmental and social issues and comprehensive reporting according to credible standards. These guidelines also seek to support recognized global governing bodies promoting sustainable business practices advocating for stewardship of environment, fair labour practices, non-discrimination, and the protection of human rights. All voting activities of the fund were logged and can be shared upon request.

(iii) engagement

Interaction with issuers took the form of one-to-one discussions, shareholder/bondholder meetings, investor roadshows and/or conference calls. The objectives of these interactions were to assess an organization, monitor that their strategy was implemented in line with our expectations and ensure that issuers were on track to meet their goals and objectives.

Where appropriate, we engaged issuers to address either significant ESG concerns, improve companies' sustainability practices or engage on positive impact topics to satisfy ourselves that they fully understood and addressed them effectively over the short, medium and long term. Our engagement activities included a combination of targeted in-house-led discussions, collaborative institutional investor initiatives, and third-party engagement services.

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What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.10.2022 - 30.09.2023

LARGEST INVESTMENTS	SECTOR	% ASSETS	COUNTRY
POTLATCHDELTIC CORP	Real Estate	6.4	United States
WEYERHAEUSER CO	Real Estate	6.0	United States
RAYONIER INC	Real Estate	5.7	United States
WEST FRASER TIMBER CO LTD	Materials	4.0	Canada
SVENSKA CELLULOSA AB SCA-B	Materials	3.3	Sweden
SUZANO PAPEL E CELULOSE SA	Materials	3.2	Brazil
STORA ENSO OYJ-R SHS	Materials	2.7	Finland
GRAPHIC PACKAGING HOLDING CO	Materials	2.6	United States
PACKAGING CORP OF AMERICA	Materials	2.4	United States
UFP INDUSTRIES INC	Industrials	2.4	United States
SONOCO PRODUCTS CO	Materials	2.4	United States
KIMBERLY-CLARK CORP	Consumer Staples	2.3	United States
UPM-KYMMENE OYJ	Materials	2.2	Finland
ESSITY AKTIEBOLAG-B	Consumer Staples	2.1	Sweden
UNICHARM CORP	Consumer Staples	2.1	Japan

Source: Pictet Asset Management, GICS/MSCI.

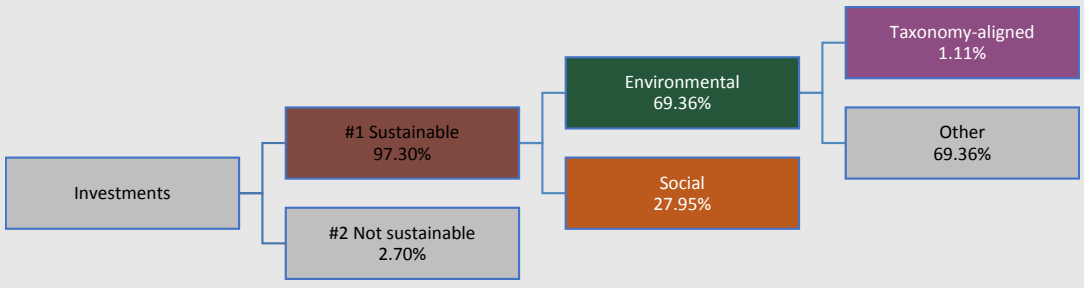
What was the proportion of sustainability-related investments?

97.3%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The fund allocated 97.30% of its assets to Sustainable investments (#1 Sustainable) and 2.70% to Not sustainable investments (#2 Not sustainable). 69.36% of its assets is allocated to environmental objectives and 27.95% to social objectives.



#1 Sustainable covers sustainable investments with environmental or social objectives.

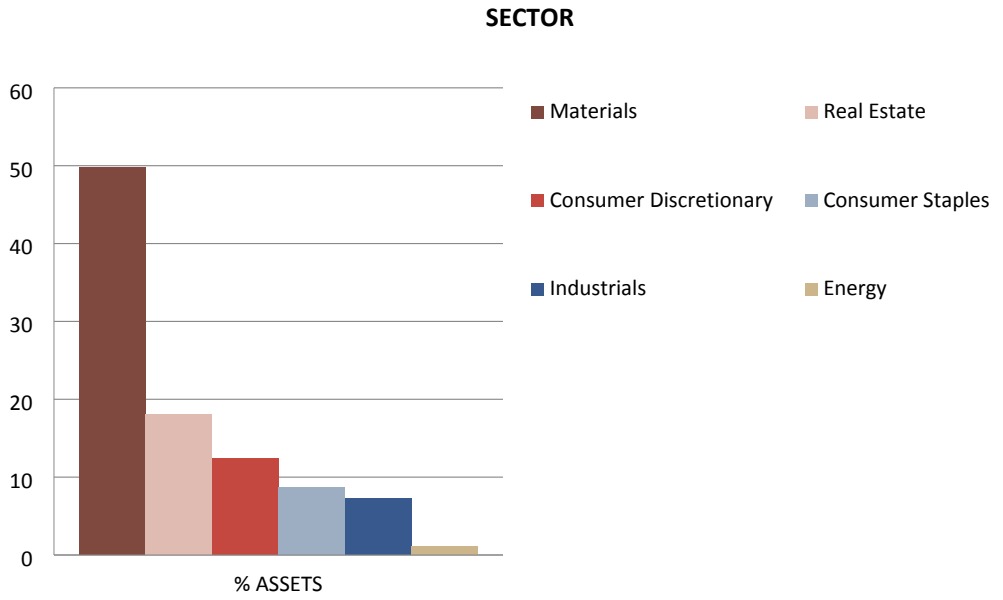
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Notes:

- "#1A Sustainable", "Other Environmental" and "Social" investments were calculated on a pass/fail basis. They include labelled bonds (where relevant to the asset class) and securities from issuers with minimum 20% exposure to economic activities that contributed to at least one environmental or social objective.
- EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to climate mitigation and climate adaptation) and cannot be consolidated with other numbers following a pass/fail approach.
- In the absence of an EU social taxonomy, Pictet has developed a proprietary social taxonomy framework based on the Report on Social Taxonomy published in 2022 by the EU Platform on Sustainable Finance. Eligible activities are defined as goods and services that substantially contribute to one of the following three objectives: (1) inclusive and sustainable communities, (2) adequate living standards and well-being for end users and (3) decent work.

Source: Pictet Asset Management, FTSE Green revenues, Factset RBICS.

In which economic sectors were the investments made?



Source: Pictet Asset Management, GICS/MSCI.

We are evaluating the availability and the quality of data that would allow us to disclose more granular information in future reports on sectors and sub-sectors of the economy that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council.

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

The fund made investments in economic activities that contributed to the first two environmental objectives (climate change adaption and climate change mitigation) as set out in the Article 9 of Regulation (EU) 2020/852.

EU taxonomy-aligned investments were calculated on a revenue-weighted basis (ie security weights are multiplied by the proportion of revenues from economic activities that contribute to relevant environmental objectives) and cannot be consolidated with other numbers following a pass/fail approach.

EU Green Taxonomy alignment data were sourced from publicly available reports. Calculations may also include estimates in a limited number of cases when EU Green Taxonomy alignment reported data were not available. Estimates were performed on a best effort basis and following a conservative approach so as to produce a prudent outcome.

The monitoring procedures have been implemented to verify at all times compliance with Article 3 of the EU taxonomy regulation.

Data provided have not been verified by an external auditor or reviewed by an independent third-party.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]**?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

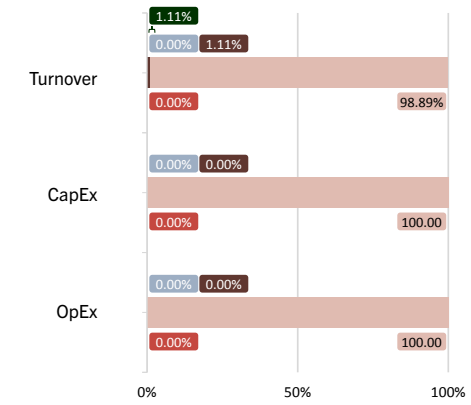
☒ No

The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

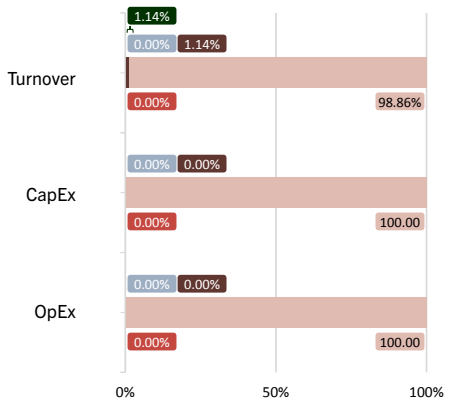
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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.*

1. Taxonomy-alignment of investments including sovereign bonds*



Taxonomy-aligned: Fossil gas
Taxonomy-aligned: Nuclear
Taxonomy-aligned (no fossil gas and nuclear)
Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*



Taxonomy-aligned: Fossil gas
Taxonomy-aligned: Nuclear
Taxonomy-aligned (no fossil gas and nuclear)
Non Taxonomy-aligned

This graph represents 97.3% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Note:

- We use revenues as the key metric for setting target allocation to, and actual alignment with, the EU taxonomy due to limited availability and lack of reliable data for OpEx and CapEX.

Source: Pictet Asset Management.

What was the share of investments made in transitional and enabling activities?

The share of investments made in:

- Transitional activities: Not applicable*
- Enabling activities: Not applicable*

*The insufficient quality and availability of the data currently available on the market does not allow to provide such breakdown. We are working with data providers to increase quality and availability over time.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

69.36%

These Sustainable Investments are not aligned with the EU Taxonomy because their economic activities either (i) are not covered by the EU Taxonomy, or (ii) do not comply with the technical screening criteria to achieve substantial contribution in the sense of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of socially sustainable investments?

27.95%

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The fund's "other" investments included cash positions primarily held for meeting daily liquidity and risk management purposes as allowed and foreseen by the fund's investment policy. Where relevant, minimum environmental or social safeguards apply to the underlying securities.

What actions have been taken to attain the sustainable investment objective during the reference period?

During the reference period, the attainment of the sustainable investment objective was met by following the investment strategy and adhering to the binding elements.

The fund's binding elements include:

- at least 80% of sustainable investments, i.e. investments in companies that have a significant exposure to activities such as financing, planting, and management of forests and wooded areas and/or in the processing, production and distribution of wood and wood fibre based materials, products and related services along the entire forest value chain and other relevant economic activities (as measured by revenue, enterprise value, earnings before interest and tax, or similar)
- exclusion of issuers that:
  - are involved in the production of controversial weapons including anti-personnel mines, cluster munitions, biological and chemical weapons, nuclear weapons and depleted uranium
  - derive a significant portion of their revenue from activities detrimental to society or the environment, such as thermal coal extraction and power generation, unconventional oil and gas exploration and production, conventional oil and gas production, nuclear power generation, conventional weapons and small arms, military contracting weapons and weapon-related products and services, tobacco production, adult entertainment production, gambling operations, genetically modified organisms development/growth, pesticides product/retail. Please refer to Pictet Asset Management's Responsible Investment policy for further details on exclusion thresholds applicable to the above activities
  - severely violate international norms including the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption
- a better ESG profile than the reference index after removing the bottom 20% of issuers with the weakest ESG characteristics
- ESG criteria analysis of eligible securities that covers at least 90% of net assets or the number of issuers in the portfolio

Furthermore, the fund engaged with 11 companies as of 30.09.2023.

How did this financial product perform compared to the reference benchmark?

No reference index has been designated for the purpose of attaining the sustainable investment objective.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective

- **How did the reference benchmark differ from a broad market index?**

  Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

  Not applicable.

- **How did this financial product perform compared with the reference benchmark?**

  Not applicable.

- **How did this financial product perform compared with the broad market index?**

  Not applicable.

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Product name:
Raiffeisen-GreenBonds
(Original German name: Raiffeisen-GreenBonds)
Legal entity identifier: 529900G72T0PJFIFLI22
This product (the fund) is managed by Raiffeisen Kapitalanlage-Gesellschaft m. b. H. as the management company.
Fund manager: Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EUTaxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulationdoes not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ Yes	☐ No
☒ It made **sustainable investments with an environmental objective**: 98.0 %	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___ % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:**___%	☐ It promoted E/S characteristics,but **did not make any sustainable investments**



Sustainability indicators measurehow the sustainable objectives of this financial product are attained.

To what extent was the sustainable investment objective of this financial product met?

The fund pursued a sustainable investment objective (within the meaning of the Sustainable Finance Disclosure Regulation). The focus was on climate protection and the adaptation to climate change. No derivatives were used to achieve the sustainable investment objective. No reference benchmark has been determined.

How did the sustainability indicators perform?
The Raiffeisen ESG indicator is used by the management company as an internal sustainability indicator. The management company continually analyses companies and sovereigns based on internal and external research sources. The results of this sustainability research are combined with a comprehensive ESG evaluation, including an ESG risk assessment, to create the so-called Raiffeisen ESG indicator. The Raiffeisen ESG indicator is measured on a scale from 0 to 100. The assessment also takes into account the relevant sector.

At the end of the accounting period the Raiffeisen ESG indicator amounted to 76.55.

...and compared to previous periods?
Accounting period 1.9.2021-31.8.2022: Raiffeisen ESG indicator: 74.5

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?
Green bonds serve to raise financing for environmental projects. These were categorised as sustainable investments if the issuer was not excluded from investment based on the investment criteria according to the investment strategy and if they complied with the Green Bond Principles of the International Capital Markets Association or the EU Green Bond Principles.

How were the indicators for adverse impacts on sustainability factors taken into account?
See the information under „How did this financial product consider principal adverse impacts on sustainability factors?".

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:
The positive and negative criteria contained in the investment strategy covered all aspects of the OECD Guidelines for Multinational Enterprises (such as avoidance of environmental destruction, corruption, and human rights violations as well as adherence to the core ILO labour standards). The fund management continuously monitored various channels of information such as the media and research agencies to determine whether investments are affected by serious controversies. In addition, the fund assets were assessed for potential violations of the OECD Guidelines for Multinational Enterprises by means of a screening tool from a recognised ESG research provider. A company that did not comply with the OECD Guidelines for Multinational Enterprises was not eligible for investment. A violation was assumed to exist if a company was involved in one or more controversial incidents in which there were credible allegations that the company or its management had caused substantial damage of a significant scope in violation of global standards.



How did this financial product consider principal adverse impacts on sustainability factors?

The consideration of the principal adverse impacts of investment decisions on sustainability factors occured through negative criteria, through the integration of ESG research into the investment process (ESG scores), and in security selection (positive criteria). The use of positive criteria included the absolute and relative assessment of companies regarding stakeholder-related data, e.g. relating to employees, society, suppliers, business ethics, and the environment, as well as the absolute and relative assessment of sovereigns regarding the development of factors related to sustainable development such as the political system, human rights, social structures, environmental resources, and climate change policy. In addition, the instrument of shareholder engagement was used with companies in the form of corporate dialogue and especially the exercise of voting rights so as to reduce adverse sustainability impacts. These shareholder engagement activities were conducted irrespective of any concrete investment in the respective company and are not documented at the fund level at the moment.The table shows the topics from which sustainability scores for adverse impacts were considered in particular, as well as the main methods that were applied.

Companies		Negative criteria	Positive criteria
Environment	Greenhouse gas emissions	✓	✓
	Activities with adverse impacts on areas with protected biodiversity	✓	✓
	Water (pollution, consumption)		✓
	Hazardous waste		✓
Social affairs and employment	Violations or lack of policy regarding the United Nations Global Compact (initiative for responsible corporate governance) and OECD guidelines for multinational companies; work accidents	✓	✓
	Gender justice		✓
	Controversial weapons	✓	✓

Countries and supranational organizations		Negative criteria	Positive criteria
Environment	Greenhouse gas emissions	✓	✓
Social issues	Violation of social provisions in international agreements and conventions and the principles of the United Nations	✓	✓



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Sep 1, 2022 - Aug 31, 2023

Largest investments		Sector	% Assets	Country
AT0000A2Y8G4	REPUBLIC OF AUSTRIA RAGB 1.85 05/23/49	Government	2.68	Austria
US500769JQ84	KFW KFW 1 10/01/26	Financial	2.22	Germany
US298785JA59	EUROPEAN INVESTMENT BANK EIB 1 5/8 10/09/29	Government	2.15	Luxembourg
IE00BFZRQ242	IRELAND GOVERNMENT BOND IRISH 1.35 03/18/31	Government	2.08	Ireland
US045167EJ82	ASIAN DEVELOPMENT BANK ASIA 3 1/8 09/26/28	Government	2.01	Philippines
AT0000A33SH3	REPUBLIC OF AUSTRIA RAGB 2.9 05/23/29	Government	1.91	Austria
XS1188118100	KOMMUNALBANKEN AS KBN 2 1/8 02/11/25	Government	1.84	Norway
US045167EC30	ASIAN DEVELOPMENT BANK ASIA 2 3/8 08/10/27	Government	1.78	Philippines
BE0000346552	BELGIUM KINGDOM BGB 1 1/4 04/22/33	Government	1.75	Belgium
US298785JH03	EUROPEAN INVESTMENT BANK EIB 0 3/4 09/23/30	Government	1.67	Luxembourg
US500769JG03	KFW KFW 0 3/4 09/30/30	Financial	1.51	Germany
FR0014006V25	SFIL SA SFILFR 0 1/4 12/01/31	Government	1.46	France
US13607GRR73	CANADIAN IMPERIAL BANK CM 0.95 10/23/25	Financial	1.44	Canada
EU000A3K4C42	EUROPEAN UNION EU 0.4 02/04/37	Government	1.38	Belgium
AU3CB0245884	EUROPEAN INVESTMENT BANK EIB 3.3 02/03/28	Government	1.35	Luxembourg



What was the proportion of sustainability-related investments?

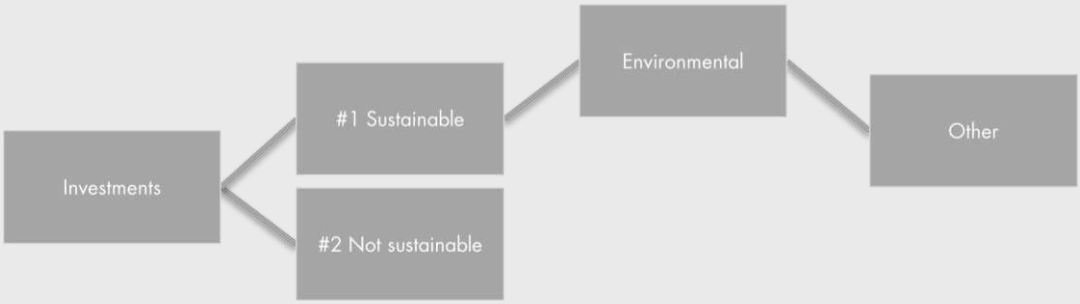
Sustainability-related investments refer to all investments that contribute to the achievement of the sustainable investment objective within the scope of the investment strategy.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The values given below refer to the end of the accounting year. No derivatives were used to achieve the sustainable investment objective.

At the end of the reporting period, 98.0% of total fund assets were sustainable investments with environmental or social objectives aligned with Art. 2 (17) of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) (#1). 2.0% of total fund assets were other investments (#2, see also information under "What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?").



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting theshare of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

In which economic sectors were the investments made?

Investment structure	Share fund in %
Government	34.88
Financial	34.63
Utilities	16.83
Industrial	5.18
Communications	4.09
Consumer, Cyclical	1.55
Sonstige / Others	2.84
Gesamt / Total	**100.00**

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

At the end of the accounting year, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[3]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☐ No.

Not aplicaple

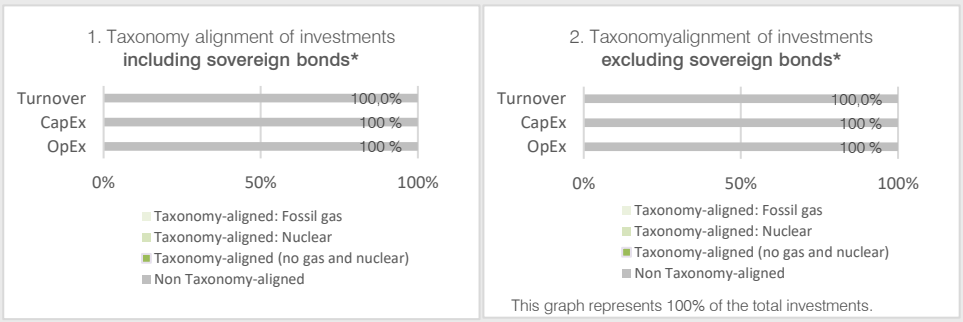
[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were 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.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

What was the share of investments made in transitional and enabling activities?
At the end of the accounting year, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?
In previous reference periods, the level of investments in economic activities that are environmentally sustainable within the meaning of the EU Taxonomy Regulation did not exceed a de minimis level.

are sustainable investments with an environmental objective that **do not take into account the criteriafor** environmentally sustainable economic activities under the EUTaxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy amounted to 98.0% of total assets and was calculated on an issuer basis.

What was the share of socially sustainable investments?

Due to the investment strategy the focus is on environmental objectives. The extent to which these investments are also socially sustainable has not been assessed.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Not sustainable investments were mainly sight deposits. Sight deposits were not subject to the sustainability criteria of the investment strategy and were primarily used for liquidity management. Accruals and deferrals were included in the position "not sustainable".

What actions have been taken to attain the sustainable investment objective during the reference period?

The attainment of the sustainable investment objective promoted by the fund was continuously monitored against defined limits as part of the internal limit system.

The implementation of the investment strategy included mandatory negative criteria, a comprehensive sustainability-related analysis and the construction of a portfolio taking into account the contribution to climate protection, e.g. the reduction of CO2 emissions due to the projects. The sustainability assessment focused not only on the issuers of bonds, but also on the use of proceeds, i.e. the environmental projects financed via the green bonds (climate protection bonds).
The minimum share of sustainable investments according to the Sustainable Finance Disclosure Regulation was 90%.

More detailed information on the implementation of the engagement policy can be found in the annual engagement report on the website of the management company in the section "Our Topics/Sustainability" within the paragraph “Policies & Reports”.

Appendix V – Sustainable Finance Disclosure (Unaudited)

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Global Cities
Legal Entity Identifier : 1D8UMR1OQ0TSCJYQ0716

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

☒ Yes	☐ No
☒ It made sustainable investments with an environmental objective: 16%	☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ With a social objective
☒ It made sustainable investments with a social objective: 82%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Appendix V – Sustainable Finance Disclosure (Unaudited)



To what extent was the sustainable investment objective of this financial product met?

The Fund's sustainable investment objective was met.

The Fund invested at least 75% of its assets in real estate companies worldwide that contributed towards more environmentally resilient and innovative cities and infrastructure. The Fund also invested in investments that the Investment Manager deemed to be neutral under its sustainability criteria, which was cash.

No reference benchmark was designated for the purpose of attaining the sustainable investment objective.

The reference period for this Fund is 1 January to 31 December 2022.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

• How did the sustainability indicators perform?

The Fund invested 98% of its assets in sustainable investments. This percentage represents the average of the reference period, based on quarter-end data.

The Investment Manager was responsible for determining whether an investment met the criteria of a sustainable investment. The Investment Manager used a combination of a revenue based approach in this assessment, by considering whether a certain percentage of the relevant issuer's revenues, capital expenditure or operating expenditure contributed to an environmental and/or social objective, and specific sustainability key performance indicators to assess the investment's contribution to an environmental and/or social objective. Compliance with the minimum percentage in sustainable investments was monitored daily via our automated compliance controls.

The Investment Manager used different sustainability indicators to measure the impact contribution at an investee company level. In particular, the Investment Manager used a proprietary sustainability tool which rates companies based on their treatment of key stakeholders, including communities and the environment. Examples of the indicators include, but are not limited to, employee fatality rates, board independence and carbon intensity.

For example, the Fund invested in a company which develops and manages affordable housing in a market which is known to have a large supply constraint. Rents are regulated and the company's average rent per square meter sits 15% below market rents. This company is aligned with SDG 11 Sustainable Cities and Communities, ensuring the urban population is not pushed towards inadequate housing or informal settlements. The Fund also invested in a prime office operator and developer which acquires buildings with poor ESG credentials and refurbishes these assets into efficient and EPC (Energy Performance Certificate) compliant buildings. Therefore these assets operating emissions are reduced, minimising water waste and energy intensity.

The Investment Manager encouraged companies to join GRESB, a benchmark which has been set up specifically for the real estate sector. GRESB gives access to vital information about submitting member companies, such as, greenhouse gas emissions, energy or water use. This information can be carefully monitored and used to hold companies accountable for their actions. GRESB is used within the second stage of the investment process, 52% of the company's scorecard is derived from GRESB metrics which

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allows the Investment Manager to gauge the performance credentials of each company's assets allowing it to append a risk score.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework. The Fund did not invest in any issuers within this exclusionary criteria.

• …and compared to previous periods?

As this is our first reporting period, this question is not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portfolio, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portfolio. The list of UNGC violators is provided by a third party and

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compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund may have applied stricter thresholds, as disclosed on the website. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board

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vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders . We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

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The team undertook 50 engagements covering 74 topics which were related to the principal adverse impacts. These were in addition to sustainability discussions that occurred during the normal course of company management meetings throughout the year. Environmental engagements focused on climate goals and biodiversity, and governance engagements focused on remuneration and board independence.

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity, during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

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The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
EQUINIX INCORPORATED REIT USD0.001	Real Estate	4.93	United States
PUBLIC STORAGE REIT USD0.10	Real Estate	4.45	United States
REXFORD INDUSTRIAL REALTY IN REIT USD0.01	Real Estate	4.10	United States
PROLOGIS INCORPORATED REIT USD0.01	Real Estate	4.04	United States
UDR INCORPORATED REIT USD0.01	Real Estate	4.04	United States
WELLTOWER INCORPORATED REIT USD1	Real Estate	3.77	United States
EXTRA SPACE STORAGE INCORPORATED REIT USD0.01	Real Estate	3.42	United States
EQUITY RESIDENTIAL SBI REIT USD0.01	Real Estate	3.10	United States
KIMCO REALTY CORPORATION REIT USD0.01	Real Estate	2.79	United States
SUN COMMUNITIES INC REIT USD0.01	Real Estate	2.75	United States
ALEXANDRIA REAL ESTATE EQUITIES INCORPORATED REIT USD0.01	Real Estate	2.69	United States
HEALTHPEAK PROPERTIES INCORPORATED USD1	Real Estate	2.62	United States
FEDERAL REALTY INVESTMENT TRUST REIT USD0.01	Real Estate	2.59	United States
INVITATION HOMES INCORPORATED REIT USD0.01	Real Estate	2.44	United States
MITSUI FUDOSAN COMPANY LIMITED NPV	Real Estate	2.22	Japan

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• *What was the asset allocation?*

The Fund's investments that were used to meet its sustainable investment objective are summarised below.

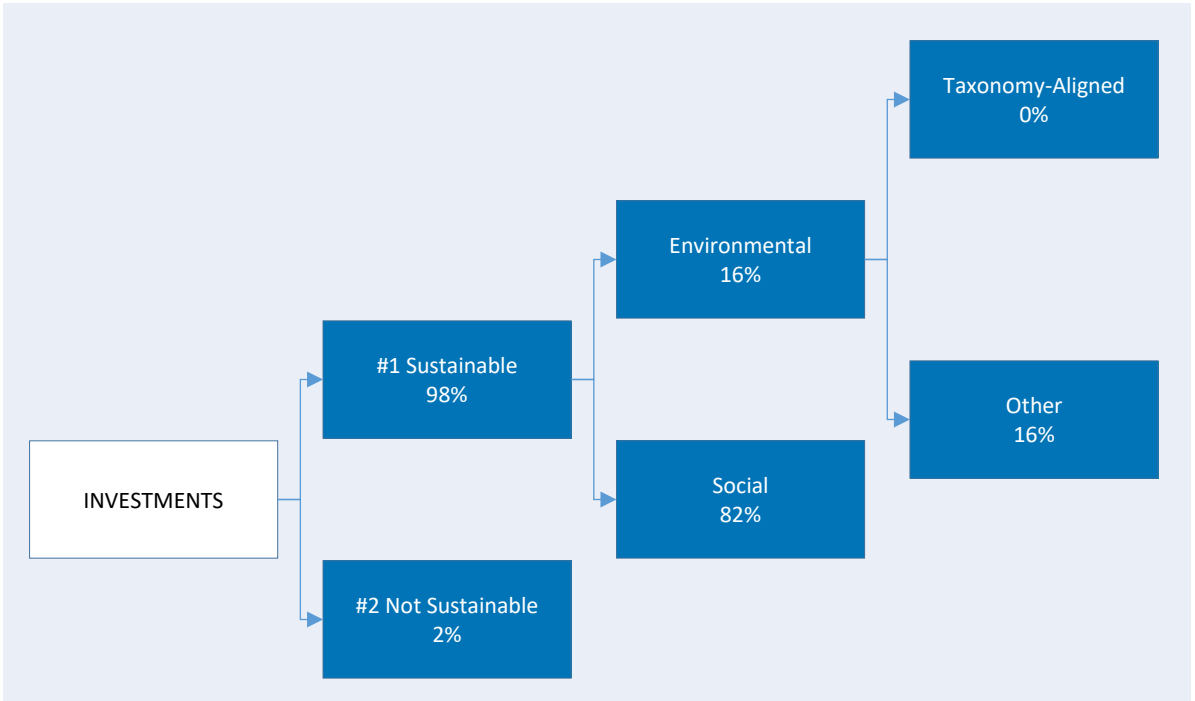
#1 Sustainable are investments in real estate companies worldwide that contributed towards more environmentally resilient and innovative cities and infrastructure.

The Fund invested 98% of its assets in sustainable investments. This percentage represents the average of the reference period, based on quarter-end data. Within this, 16% was invested in sustainable investments with an environmental objective and 82% was invested in sustainable investments with a social objective.

#2 Not sustainable includes investments that were treated as neutral for sustainability purposes, which was cash.

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***#1 Sustainable** covers sustainable investments with environmental or social objectives*
***#2 Not sustainable** includes investments which do not qualify as sustainable investments*

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Real Estate	Real Estate	93.44
Cash	Cash	2.22
Information Technology	Software & Services	2.14
Communication Services	Telecommunication Services	1.11
Industrials	Transportation	0.95
Industrials	Commercial & Professional Services	0.15

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

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Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

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- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

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are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 16%.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 82%.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

#2 Not sustainable includes investments that were treated as neutral for sustainability purposes, which was cash.

Minimum safeguards were applied where relevant to investments by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.



What actions have been taken to attain the sustainable investment objective during the reference period?

The actions taken during the reference period to meet the sustainable investment objective by the Fund were the following:

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- The Fund invested at least 75% of its assets in real estate companies worldwide that contributed towards more environmentally resilient and innovative cities and infrastructure.

- The Fund invested in companies that did not cause significant environmental or social harm.

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies.

- The Investment Manager engaged with issuers held in the portfolio and on average aimed to meet or speak with company management once a year. During these meetings sustainability topics were regularly discussed alongside business trends and financial performance.

- During 2022, the Investment Manager conducted 22 dedicated sustainability engagements across the investible universe on a number of different topics, including but not limited to climate change which includes building efficiency and emissions, human rights including salary compared to local living wages and corporate governance including remuneration and independence.



How did this financial product perform compared to the reference sustainable benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

No index was designated as a reference benchmark for the purpose of attaining the sustainable investment objective of the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Global Climate Change Equity
Legal Entity Identifier : TA82RI0NRIZRTKERSH09

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

●● ☐ Yes	●● ☒ No
☐ It made sustainable investments with an environmental objective: __%	☒ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 52% of sustainable investments
☐ In economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ With a social objective
☐ It made sustainable investments with a social objective: __%	☐ It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental and/or social characteristics promoted by the Fund were met.

The Fund maintained a higher overall level of avoided emissions than the MSCI All Country World (Net TR) Index, based on the Investment Manager's rating system. This means that the Fund's overall level of avoided emissions over a rolling six-month period up to the end of the reference period was higher than the benchmark's overall level of avoided emissions over the same period, based on month-end data. This benchmark (which is a broad market index) is not a reference benchmark for the purposes of the environmental and social characteristics promoted by the Fund.

Avoided emissions are measured by Schroders' proprietary tool that provides an estimate of the future emissions saved indirectly by companies' products and services through the substitution of high carbon activities with lower carbon alternatives. It does this by identifying certain carbon-avoiding activities and industries that if adopted would contribute to reducing economy-wide emissions. Schroders' proprietary tool uses third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures. The level of avoided emissions of the Fund is the aggregate avoided emissions of all issuers in the Fund's portfolio covered by Schroders' proprietary tool. Avoided emissions are calculated per million dollars of investment and expressed as tons CO2e / $M investment.

The reference period for this Fund is 1 January 2022 to 31 December 2022.

The Fund also invested at least 40% of its assets in sustainable investments from when this commitment came into effect in August 2022 to the end of the reference period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

• How did the sustainability indicators perform?

The Fund's level of avoided emissions at the end of the reference period was 207 CO2e / $M and the benchmark's level of avoided emissions at the end of the reference period was 10 CO2e / $M.

The Investment Manager monitored compliance with the characteristic to maintain a higher overall level of avoided emissions than the MSCI All Country World (Net TR) Index by reference to the weighted average avoided emissions of the Fund compared against the weighted average avoided emissions of the MSCI All Country World (Net TR) Index over a rolling six-month period up to the end of the reference period, based on month-end data.

The Investment Manager invested 52% of the Fund's assets in sustainable investments. This figure represents the average percentage of sustainable investments over the four months prior to the end of the reference period, based on month-end data.

The Investment Manager monitored compliance with the characteristic to invest at least 40% of its assets in sustainable investments by reference to the sustainability score of each asset in Schroders' proprietary tool. Compliance with this was monitored daily via our automated compliance controls.

The Fund also applied certain exclusions, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework.

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• …and compared to previous periods?

As this is our first reporting period, this question is not applicable.

• What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool.

The objectives of the sustainable investments that the Fund made included, but were not limited to increasing benefits by way of the following:

- Avoided Emissions: the estimated environmental benefits of companies that enable system-or economy-wide reductions in carbon emissions;

- Connectivity: the estimated societal benefits from companies' that enable or support the connection of communities through telecommunication services;

- High Salaries: the estimated societal benefit of paying staff above local living wages (for regions in which they operate). Assigned in proportion to the surplus companies are paying employees compared to the average living wage;

- Medicine: the estimated societal benefits arising from the additional social value the sale of such products and services exhibits of the wider economy. Assigned in proportion to the company's involvement in the healthcare value chain and proportion of company market share to global sub-sector revenue;

- Power Provision: the estimated societal benefits of access to power and electricity. Assigned in proportion to a company's share of power provision revenues;

The above examples of the objectives of the sustainable investments that the Fund made are based on data as at the end of the reference period. Other objectives may have applied during the reference period.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portion of the portfolio in sustainable investments, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and

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corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portion of the portfolio in sustainable investments. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition, the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving >10% revenue from thermal coal mining and >30% revenue from coal power generation. The Fund also excluded companies deriving >5% revenue from fossil fuel extraction and production and >5% revenue from the oil and gas value chain. The Fund also excludes companies on the Carbon Underground 200 list which includes the top 100 public coal companies globally and the top 100 public oil and gas companies globally, ranked by the potential carbon emissions content of their reported reserves. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

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PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders. We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The portion of the portfolio in sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

Appendix V – Sustainable Finance Disclosure (Unaudited)

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above. A summary of Schroders firm-wide engagement activity during the reference period, including the relevant engagement theme, is shown below:

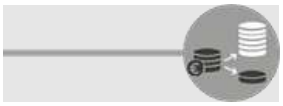
Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.

Appendix V – Sustainable Finance Disclosure (Unaudited)



What were the top investments of this financial product?

During the reference period the top 15 investments were:

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
MICROSOFT CORPORATION COMMON STOCK USD0.0000125	Information Technology	4.81	United States
ALPHABET INCORPORATED CL A NPV	Communication Services	4.09	United States
TEXAS INSTRUMENTS INCORPORATED COMMON STOCK USD1	Information Technology	3.38	United States
AMAZON.COM INCORPORATED USD0.01	Consumer Discretionary	2.76	United States
SCHNEIDER ELECTRIC SE EUR4	Industrials	2.71	United States
BAYERISCHE MOTOREN WERKE AG	Consumer Discretionary	2.59	Germany
IBERDROLA SA EUR0.75	Utilities	2.50	Spain
DANAHER CORPORATION COMMON STOCK USD0.01	Health Care	2.47	United States
NEXTERA ENERGY INCORPORATED COMMON STOCK USD0.01	Utilities	2.45	United States
JOHNSON CONTROLS INTERNATIONAL PUBLIC LIMITED COMPANY CHF0.5	Industrials	2.20	United States
CANADIAN NATIONAL RAILWAY COMMON STOCK NPV	Industrials	2.19	Canada
VESTAS WIND SYSTEMS	Industrials	2.16	Denmark
SAMSUNG SDI COMPANY LIMITED KRW5000	Information Technology	2.09	South Korea
KROGER COMPANY (THE) COMMON STOCK USD1	Consumer Staples	2.08	United States
DEERE & COMPANY COMMON STOCK USD1	Industrials	2.08	United States

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• *What was the asset allocation?*

The Fund's investments that were used to meet its environmental or social characteristics are summarised below.

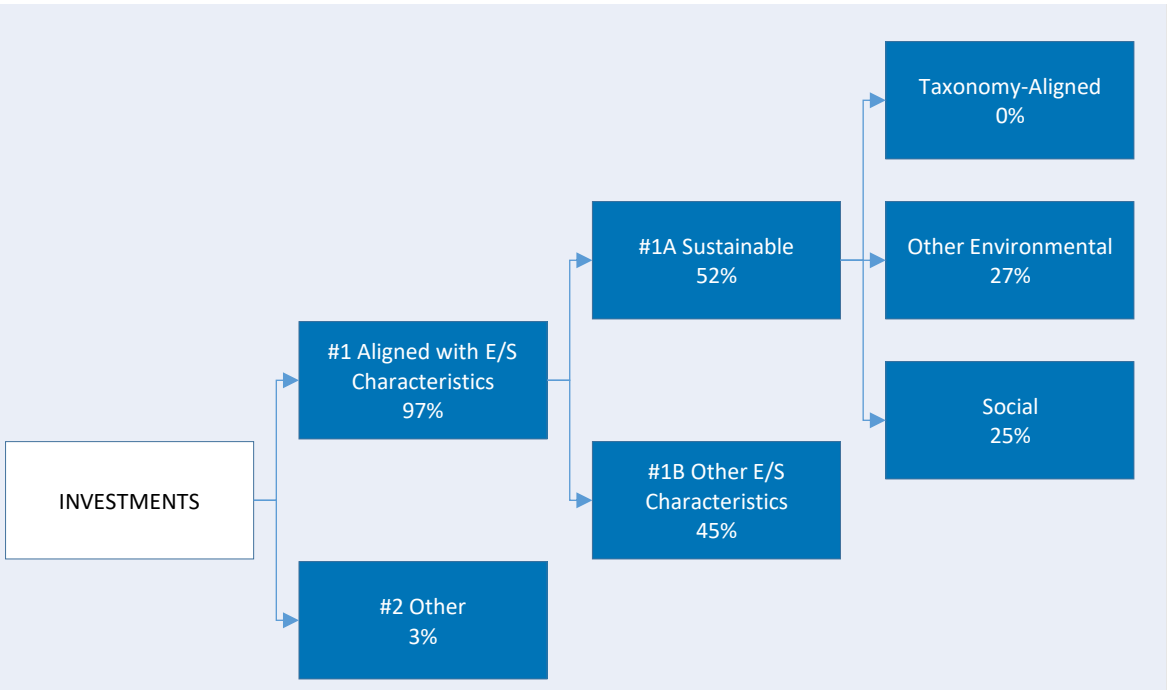
#1 Aligned with E/S characteristics includes the Fund's assets that were used to attain the environmental or social characteristics, which is equal to 97%. The Fund maintained a higher overall level of avoided emissions than the MSCI All Country World (Net TR) Index and so the Fund's investments that were measured by Schroders' proprietary sustainability tool are included within #1 on the basis that they contributed to the Fund's overall level of avoided emissions (whether such individual investment had a high or low level). The percentage in #1 Aligned E/S characteristics represents the average of the last four months of the reference period, based on month-end data. Also included within #1 is the proportion of assets that were invested in sustainable investments, as indicated in #1A.

Appendix V – Sustainable Finance Disclosure (Unaudited)

Avoided emissions are measured by Schroders' proprietary tool that provides an estimate of the future emissions saved indirectly by companies' products and services through the substitution of high carbon activities with lower carbon alternatives. It does this by identifying certain carbon-avoiding activities and industries that if adopted would contribute to reducing economy-wide emissions. Schroders' proprietary tool uses third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures.

The Fund invested 52% of its assets in sustainable investments. This percentage represents the average of the last four months of the reference period, based on month-end data. Within this, 27% was invested in sustainable investments with an environmental objective and 25% was invested in sustainable investments with a social objective. In respect of the proportion of the Fund's portfolio that was invested in sustainable investments, each sustainable investment demonstrated a net positive effect across a range of environmental or social objectives, as scored by Schroders' proprietary tool. A sustainable investment is classified as having an environmental or social objective depending on whether the relevant issuer has a higher score in Schroders' proprietary tool relative to its applicable peer group for its environmental indicators or its social indicators. In each case, indicators are comprised of both "costs" and "benefits".

#2 Other includes cash and warrants, which were treated as neutral for sustainability purposes.



#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 category **#1 Aligned with E/S Characteristics** covers:*
*- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments*
*- The sub-category **#1B Other E/S Characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*

Appendix V – Sustainable Finance Disclosure (Unaudited)

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Industrials	Capital Goods	29.79
Industrials	Transportation	2.19
Information Technology	Semiconductors & Semiconductor Equipment	11.38
Information Technology	Software & Services	6.29
Information Technology	Technology Hardware & Equipment	4.86
Consumer Discretionary	Retailing	5.17
Consumer Discretionary	Consumer Durables & Apparel	4.10
Consumer Discretionary	Automobiles & Components	2.67
Utilities	Utilities	9.42
Materials	Materials	6.25
Consumer Staples	Food & Staples Retailing	3.03
Consumer Staples	Food, Beverage & Tobacco	1.34
Communication Services	Media & Entertainment	4.09
Financials	Insurance	1.89
Financials	Diversified Financials	1.27
Health Care	Pharmaceuticals, Biotechnology & Life Sciences	2.47
Cash	Cash	1.97
Real Estate	Real Estate	1.80

Appendix V – Sustainable Finance Disclosure (Unaudited)

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Appendix V – Sustainable Finance Disclosure (Unaudited)

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

Appendix V – Sustainable Finance Disclosure (Unaudited)

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The Fund invested 27% of its assets in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.

What was the share of socially sustainable investments?

The Fund invested 25% of its assets in sustainable investments with a social objective. This percentage is a proportion of the total percentage of sustainable investments, which is calculated as the average of the last four months of the reference period, based on month-end data.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

#2 Other includes cash and warrants, which were treated as neutral for sustainability purposes.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.

What actions have been taken to meet the sustainable investment objective during the reference period?

Appendix V – Sustainable Finance Disclosure (Unaudited)

The actions taken during the reference period to meet the environmental and social characteristics promoted by the Fund were the following:

- The Investment Manager applied sustainability criteria when selecting investments for the Fund;

- The Investment Manager considered the level of avoided emissions of the Fund when selecting the assets held by the Fund;

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies; and

- The Investment Manager undertook engagements covering one or more of the six priority themes set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). A summary of Schroders engagement activity, including the number of issuers engaged with and the related theme, is shown above in the question 'How did this financial product consider principal adverse impacts on sustainability factors?'. Through our engagement activities, we build relationships and have a two-way dialogue with our investee companies. We aim to drive change that protects and enhances the value of our investments.



How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

No index was designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

Appendix V – Sustainable Finance Disclosure (Unaudited)

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product : Schroder ISF Global Energy Transition
Legal Entity Identifier : 549300IS8ME9YA6EM043

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Did this financial product have a sustainable investment objective?

●● [X] Yes	●● [ ] No
[X] It made sustainable investments with an environmental objective: 92%	[ ] It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
[ ] In economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[X] In economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] With a social objective
[ ] It made sustainable investments with a social objective: __%	[ ] It promoted E/S characteristics, but did not make any sustainable investments

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Appendix V – Sustainable Finance Disclosure (Unaudited)



To what extent was the sustainable investment objective of this financial product met?

The Fund's sustainable investment objective was met. The Fund invested at least 75% of its assets in companies worldwide that generated at least 50% of their revenue from activities that contributed towards the global transition towards lower-carbon and more sustainable sources of energy, such as lower-carbon energy production, distribution, storage, transport and associated supply chain, material provider and technology companies. The Fund also invested in other companies worldwide that generated a lower percentage of their revenue from these activities where the Investment Manager considered they are playing critical roles in the energy transition. All companies held by the Fund were deemed to be sustainable investments by the Investment Manager.

The Fund also invested in investments that the Investment Manager deemed to be neutral under its sustainability criteria, which were cash and warrants used with the aim of managing the Fund more efficiently.

No reference benchmark was designated for the purpose of attaining the sustainable investment objective.

The reference period for the Fund is 1 January 2022 to 31 December 2022.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

• How did the sustainability indicators perform?

The Fund invested 92% of its assets in sustainable investments. This percentage represents the average of the reference period, based on quarter-end data.

The Investment Manager was responsible for determining whether an investment met the criteria of a sustainable investment. The Investment Manager assessed whether a certain percentage of the relevant issuer's revenues, capital expenditure or operating expenditure contributed to an environmental objective. At least 75% of issuers generated at least 50% of their revenue from activities that contributed towards the global transition towards lower-carbon and more sustainable sources of energy. The Investment Manager manually added companies that met certain criteria with revenue exposure of below 50% to the Fund's investment universe.

Compliance with the minimum percentage in sustainable investments was monitored daily via the Investment Manager's automated compliance controls.

The Investment Manager used different sustainability indicators to measure the impact contribution at an investee company level. In particular, the Investment Manager used a quantitative screening tool to identify companies that derive a certain percentage of their revenues from their main activity that is associated with specific energy transition activities: including (1) renewable energy equipment; (2) renewable energy generation; (3) transmission and distribution; (4) batteries, storage and other equipment; (5) hydrogen; (6) electrical equipment and energy; and (7) clean mobility.

Subsequently, the Investment Manager used a number of indicators to derive a sustainability score out of ten for each company. Based on this score, each company was placed within one of the following categories: (1) Best-in-class, (2) Neutral and (3) Laggard. The indicators used to determine the score included but were not limited to metrics such as carbon intensity, board gender diversity and management remuneration. The information was drawn from company management meetings,

Appendix V – Sustainable Finance Disclosure (Unaudited)

publicly available corporate information as well as the Investment Manager's internal proprietary tools. The Investment Manager invested 53% of the portfolio in issuers classified as Best-in-class and 39% of the portfolio in issuers classified as Neutral. These figures were calculated as the average of the reference period based on quarter-end data. The Fund did not invest in any companies classified as laggards during the reference period.

The Fund also applied certain exclusions, including companies deriving direct revenue from fossil fuels, with which the Investment Manager monitored compliance on an ongoing basis via its portfolio compliance framework. The Fund did not invest in any issuers within the exclusionary criteria.

• …and compared to previous periods?

As this is our first reporting period, this question is not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

• How did the sustainable investments not cause significant harm to any sustainable investment objective?

The Investment Manager's approach to not causing significant harm to any environmental or social sustainable investment objective included the following:

- Firm-wide exclusions applied to Schroders funds. These relate to international conventions on cluster munitions, anti-personnel mines, and chemical and biological weapons. A detailed list of all companies that are excluded is available at https://www.schroders.com/en/sustainability/active-ownership/group-exclusions/.

- Schroders became a signatory to the UN Global Compact (UNGC) principles on 6 January 2020. The Fund excluded companies in violation of the UNGC principles from the portfolio, as Schroders considers violators cause significant harm to one or more environmental or social sustainable investment objectives. The areas determining whether an issuer is an UNGC violator include issues that are covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

- Firm-wide exclusions also applied to companies that derived revenues above certain thresholds from activities related to tobacco and thermal coal, especially tobacco production, tobacco value chain (suppliers, distributors, retailers, licensors), thermal coal mining and coal fired power generation.

- The Fund also applied certain other exclusions.

- Further information on all of the Fund's exclusions is to be found under "Sustainability Related Disclosures" on the Fund's webpage, accessed via https://www.schroders.com/en/lu/private-investor/gfc.

How were the indicators for adverse impacts on sustainability factors taken into account?

Where the Investment Manager set levels in relation to the indicators for adverse impacts on sustainability factors, compliance with these thresholds was monitored on an ongoing basis via its portfolio compliance framework. Investee companies in breach of these levels were not eligible to be considered as a sustainable investment.

Appendix V – Sustainable Finance Disclosure (Unaudited)

For example, the Fund excluded companies in violation of the UNGC principles (principal adverse impact (PAI) 10) from the portfolio. The list of UNGC violators is provided by a third party and compliance with the list was monitored via our automated compliance controls. Schroders applied certain exceptions to the list during the reference period.

In addition the Fund excluded companies that were deemed to contribute significantly to climate change (related to PAIs 1, 2 and 3 covering GHG emissions). The thresholds that were applied were companies deriving direct revenue from fossil fuels. Compliance with these exclusions was monitored via our automated compliance controls.

In other areas Schroders set principles of engagement. We have aligned each of the PAIs to one of Schroders six core engagement themes. We summarise below the thresholds that apply and the engagement actions we have for each:

Climate Change

PAIs 1, 2, 3, 4, 5, 6 and 19 relate to the Engagement Blueprint theme of Climate Change. Details of our Engagement Blueprint can be found here: (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf). We engage to understand how companies are responding to the challenges climate change may pose to their long-term financial position. Through our engagement activity we seek to understand different areas, such as the speed and scale of emission reduction targets and steps being taken to meet climate goals.

Biodiversity and Natural Capital

PAIs 7, 8 and 9 align to the Engagement Blueprint theme of Biodiversity and Natural Capital. We recognise the importance of all companies assessing and reporting on their exposure to natural capital and biodiversity risk. We focus our engagement on improving disclosure around a number of themes such as deforestation and sustainable food and water.

Human Rights

PAIs 10 and 14 relate to the Engagement Blueprint theme of Human Rights. There is increasing pressure on the role that businesses can and should play to respect human rights. We understand the higher operational and financial risks, and the reputational risk that human rights controversies cause. Our engagement focuses on three core stakeholders: workers, communities and customers.

Human Capital Management

PAIs 11, 12 and 13 align to the Engagement Blueprint theme of Human Capital Management. We identify human capital management as a priority issue for engagement, noting that people in an organisation are a significant source of competitive advantage and that effective human capital management is essential to drive innovation and long-term value creation. We also recognise a number of links between high standards of human capital management and the achievement of the Sustainable Development Goals (SDGs). Our engagement activities address themes such as health and safety, corporate culture and investment into the workforce.

Diversity and Inclusion

PAIs 12 and 13 relate to the Engagement Blueprint theme of Diversity and Inclusion. Improving disclosure on board diversity and the gender pay gap are two of the priority objectives outlined in

Appendix V – Sustainable Finance Disclosure (Unaudited)

our Engagement Blueprint. We request that companies implement a policy that requires each board vacancy to consider at least one or more diverse candidates. Our engagement approach also addresses diversity of the executive management, the workforce and in the value chain.

Corporate Governance

PAIs 20, 12 and 13 align to the Engagement Blueprint theme of Corporate Governance. We engage with companies to seek to ensure businesses act in the best interest of shareholders and other key stakeholders. We also recognise that, in most cases, in order to see progress and performance on other material Environmental, Social and Governance (ESG) issues, strong governance structures need to first be in place. We therefore engage on a number of corporate governance aspects such as executive remuneration, boards and management, and strategy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

We used a list of UNGC violators as provided by a third party. Issuers on that list were not categorised as sustainable investments. The areas considered when determining whether an issuer is an UNGC violator included those covered by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, such as human rights, bribery and corruption, labour rights, child labour, discrimination, health and safety, and collective bargaining.

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 Union criteria.

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

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager's approach to considering principal adverse impacts on sustainability factors involved classifying the indicators into three categories:

1. Set thresholds

For certain PAIs (e.g. PAI 10 on violations of UNGC principles), we set thresholds for considering an investment to be a sustainable investment. Investments in breach of these thresholds were not eligible to be held as sustainable investments. Compliance with these thresholds was monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

2. Active ownership

Appendix V – Sustainable Finance Disclosure (Unaudited)

During the reference period, the Investment Manager engaged in line with the approach and expectations set out in our Engagement Blueprint (Link https://prod.schroders.com/en/sysglobalassets/about-us/schroders-engagement-blueprint-2022.pdf) and as further described above.

During the year the Investment Manager conducted a number of dedicated sustainability engagements across the investible universe on a number of different topics, including but not limited to climate change, human rights and corporate governance. In particular the Investment Manager engaged with companies on setting net zero emissions transition plans and the issue of human rights in the solar value chain where we continue to build our understanding of the allegations faced by the sector. The Investment Manager also engaged with companies with regard to corporate governance structures and/or remuneration structures.

A summary of Schroders firm-wide engagement activity, during the reference period, including the relevant engagement theme, is shown below:

Engagement Theme	# Issuers
Climate Change	738
Diversity and Inclusion	72
Governance and Oversight	3,096
Human Capital Management	130
Human Rights	121
Natural Capital and Biodiversity	95

3. Improve coverage

Some of the engagements identified in the table above involved discussions where the primary focus was to increase reporting on sustainability data. The purpose is to improve coverage of the PAIs, for example PAI 9 on hazardous waste ratio.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



What were the top investments of this financial product?

During the reference period the top 15 investments were:

Appendix V – Sustainable Finance Disclosure (Unaudited)

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **1 Jan 2022 to 31 Dec 2022**

Largest Investments	Sector	% Assets	Country
VESTAS WIND SYSTEMS	Industrials	6.21	Denmark
FIRST SOLAR INCORPORATED COMMON STOCK USD0.001	Information Technology	4.78	United States
SOLAREDGE TECHNOLOGIES INCORPORATED COMMON STOCK USD0.0001	Information Technology	4.41	United States
LG CHEMICALS LIMITED KRW5000	Materials	3.89	South Korea
SAMSUNG SDI COMPANY LIMITED KRW5000	Information Technology	3.74	South Korea
JOHNSON MATTHEY PUBLIC LIMITED COMPANY ORDINARY 1.101698P	Materials	3.63	United Kingdom
NEXANS SA EUR1	Industrials	3.59	France
CORPORACION ACCIONA ENERGIAS RENOV	Utilities	2.98	Spain
SCHNEIDER ELECTRIC SE EUR4	Industrials	2.97	United States
XINYI SOLAR HOLDINGS LIMITED HKD0.10	Information Technology	2.70	China
JOHNSON CONTROLS INTERNATIONAL PUBLIC LIMITED COMPANY CHF0.5	Industrials	2.54	United States
ITRON INCORPORATED COMMON STOCK NPV	Information Technology	2.46	United States
PLASTIC OMNIUM SA EUR0.06	Consumer Discretionary	2.42	France
EDP RENOVAVEIS SA EUR5	Utilities	2.40	Spain
UMICORE SA NPV	Materials	2.38	Belgium

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The largest investments and % of assets referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The largest investments and % of assets detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the largest investments and % of assets due to the differing calculation methodologies of these alternative data sources.

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

• *What was the asset allocation?*

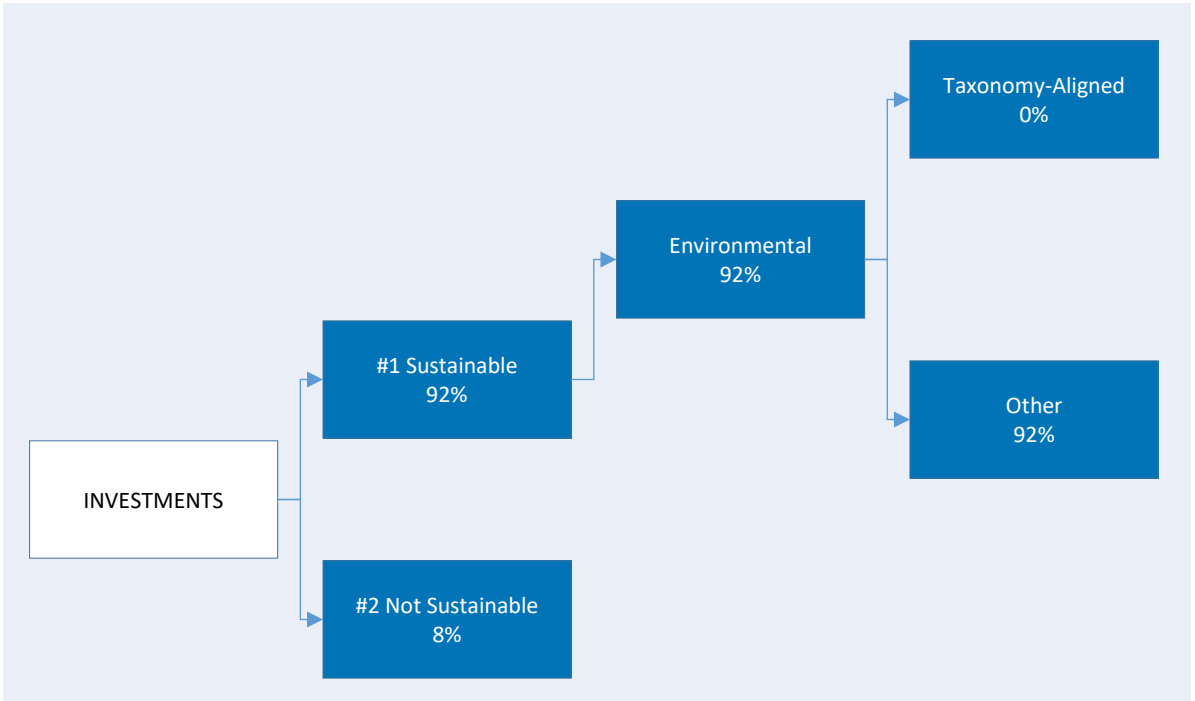
The Fund's investments that were used to meet its sustainable investment objective are summarised below.

#1 Sustainable are investments in companies worldwide that generated a certain percentage of their revenue (for 75% of the assets of the Fund, at least 50%) from activities that contributed towards the global transition towards lower-carbon sources of energy, such as lower-carbon energy production, distribution, storage, transport and associated supply chain, material provider and technology companies or are playing critical roles in the energy transition.

The Fund invested 92% of its assets in sustainable investments. This percentage represents the average of the reference period, based on quarter-end data. All the sustainable investments had an environmental objective.

#2 Not sustainable includes investments that were treated as neutral for sustainability purposes, which were cash and warrants used with the aim of managing the Fund more efficiently.

Appendix V – Sustainable Finance Disclosure (Unaudited)



#1 Sustainable *covers sustainable investments with environmental or social objectives*
#2 Not sustainable *includes investments which do not qualify as sustainable investments*

• In which economic sectors were the investments made?

During the reference period investments were made in the following economic sectors:

Sector	Sub-Sector	% Assets
Industrials	Capital Goods	30.47
Industrials	Transportation	0.02
Information Technology	Semiconductors & Semiconductor Equipment	16.17
Information Technology	Technology Hardware & Equipment	7.90
Utilities	Utilities	18.18
Materials	Materials	11.04
Consumer Discretionary	Automobiles & Components	6.84
Consumer Discretionary	Consumer Durables & Apparel	1.31
Cash	Cash	8.07

The list above represents the average of the Fund's holdings at each quarter end during the reference period.

The % of assets and sector classifications aligned to economic sectors referred to above are derived from the Schroders Investment Book of Record (IBoR) data source. The % of assets and sector classifications aligned to economic sectors detailed elsewhere in the Audited Annual Report are derived from the Accounting Book of Record (ABoR) maintained by the administrator. As a result of these differing data sources, there may be differences in the % of assets and sector classifications aligned to

Appendix V – Sustainable Finance Disclosure (Unaudited)

economic sectors, due to the differing calculation methodologies and data availability of these alternative data sources.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

There was no extent to which the Fund's investments (including transitional and enabling activities) with an environmental objective were aligned with the Taxonomy. Taxonomy alignment of this Fund's investments has therefore not been calculated and has as a result been deemed to constitute 0% of the Fund's portfolio.

• Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

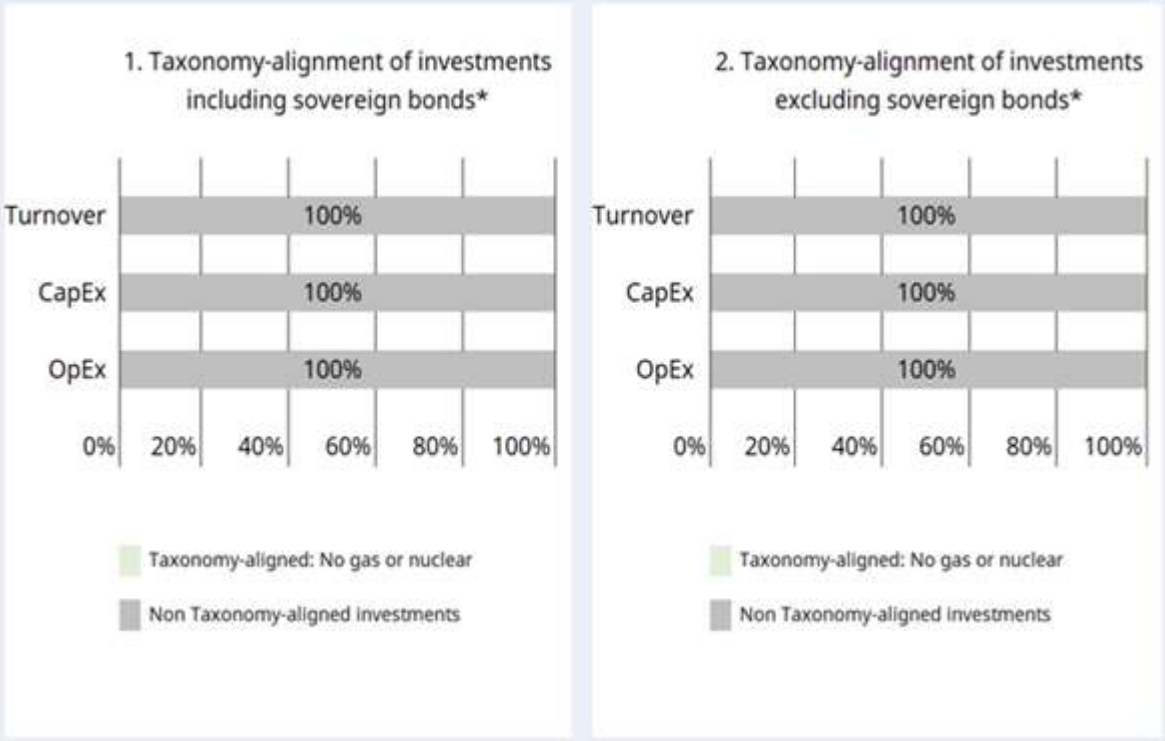
- **turnover** reflecting the share of revenue from green activities of investee companies

The graphs below show in green the percentage of investments that were 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.*

Appendix V – Sustainable Finance Disclosure (Unaudited)

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

• What was the share of investments made in transitional and enabling activities?

As per the above, the share of investments by the Fund in transitional and enabling activities has been deemed to constitute 0% of the Fund's portfolio.

• How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

As this is our first reporting period, this question is not applicable.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Appendix V – Sustainable Finance Disclosure (Unaudited)



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

All sustainable investments made by the Fund had environmental objectives that were not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

There were no sustainable investments with a social objective.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

#2 Not sustainable includes investments that were treated as neutral for sustainability purposes, which were cash and warrants used with the aim of managing the Fund more efficiently.

Minimum safeguards were applied where relevant to investments and derivatives by restricting (as appropriate) investments in counterparties where there were ownership links or exposure to higher risk countries (for the purpose of money laundering, terrorist financing, bribery, corruption, tax evasion and sanctions risks). A firm-wide risk assessment considers the risk rating of each jurisdiction; which includes reference to a number of public statements, indices and world governance indicators issued by the UN, the European Union, the UK Government, the Financial Action Task Force and several Non-Government Organisations (NGOs), such as Transparency International and the Basel Committee.

In addition, new counterparties were reviewed by Schroders' credit risk team and approval of a new counterparty was based on a holistic review of the various sources of information available, including, but not limited to, quality of management, ownership structure, location, regulatory and social environment to which each counterparty is subject, and the degree of development of the local banking system and its regulatory framework. Ongoing monitoring was performed through a Schroders' proprietary tool, which supports the analysis of a counterparty's management of environmental, social and governance trends and challenges.

Schroders' credit risk team monitored the counterparties and during the reference period a number of counterparties were removed from the approved list for all funds in line with our policy and compliance requirements. This meant that such counterparties were ineligible for use by the Fund in respect of any relevant investments from the date they were removed.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The actions taken during the reference period to attain the sustainable investment objective of the Fund were the following:

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Appendix V – Sustainable Finance Disclosure (Unaudited)

- The Fund invested at least 75% of its assets in companies that generated at least 50% of their revenue from activities that contributed towards the global transition towards lower-carbon sources of energy.

- The Fund invested in companies that did not cause significant environmental or social harm.

- The Investment Manager utilised a Schroders' proprietary tool to help assess good governance practices of investee companies.

- The Investment Manager engaged with issuers held in the portfolio and on average aimed to meet or speak with company management once every six months. During these meetings sustainability topics were regularly discussed alongside business trends and financial performance.

- During 2022 the Investment Manager conducted 22 dedicated sustainability engagements across the investible universe on a number of different topics, including but not limited to climate change, human rights and corporate governance.

- In addition, the Investment Manager worked on a mass engagement project during the reference period which encouraged companies within the portfolio and the wider investible universe to set net zero emissions transition plans. This project will continue into the next reference period.



How did this financial product perform compared to the reference sustainable benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.

No index was designated as a reference benchmark for the purpose of attaining the sustainable investment objective of the Fund.

• How did the reference benchmark differ from a broad market index?

This question is not applicable for this Fund.

• How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

This question is not applicable for this Fund.

• How did this financial product perform compared with the reference benchmark?

This question is not applicable for this Fund.

• How did this financial product perform compared with the broad market index?

This question is not applicable for this Fund.

SFDR SCHEDULE- Annex V

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: UBAM - POSITIVE IMPACT EQUITY
Legal entity identifier: O00000869_00000122

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective: 44.7%**	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of % of sustainable investments
☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It made **sustainable investments with a social objective: 52.8%**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent was the sustainable investment objective of this financial product met?

This financial product has the following sustainable objectives: Climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

Not subject to an assurance provided by one or more auditors/third parties.

The sustainable investments contributed to the sustainableinvestment objectives as:

- This Sub-Fund is committed to hold a minimum of 80% in sustainable investments. At the end of Dec, the Sub-Fund held 97.5% in sustainable investments, of which 3.9% in reported taxonomy aligned investments. These sustainable investments include at all times a mix of environmentally sustainable investments, including, but not limited to,

the objectives mentioned in the previous paragraph, and socially sustainable investments.



The Investment Manager has engaged with companies, both directly and collaboratively, on a variety of issues including, but not limited to, their GHG emissions and climate strategy or their biodiversity-related practices. Engagement examples are provided in UBP's annual impact report.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- ***How did the sustainability indicators perform?***

Sustainabiliy indicator	**Sub-Fund**	**Index***
IMAP** Score	15.4	-
Weighted Average Carbon Intensity*** (tCO2e/$ mi. invested)	115.3	115.7
Share of companies in breach of the UN Global Compact	0.0%	0.0%
Companies linking pay to sustainability	73.8%	67.6%
Companies measuring employee satisfaction	74.4%	75.4%

Past performance is not a guide for current or future returns.
Source: UBP, MSCI ESG Research, as of 30 December 2022
*Index: MSCI Europe NR
**The intensity of impact (IMAP) is measured through the Investment Manager's proprietary scoring system, with a minimum scoring requirement for inclusion in the Sub-Fund.
***The WACI is defined as the market-weighted average of total carbon emissions in tons of CO2 divided by total revenues. It should be noted that only Scope 1 and 2 emissions are taken into account, as Scope 3 data is additive across companies and may result in double counting.
The benchmark is a standard reference representing the Sub-Fund's universe but is not aligned with the sustainable objective of the Sub-Fund.

- ***And compared to previous periods?***

N/A

- ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

To ensure that the sustainable investments made by this Sub-Fund during the reporting period did not significantly harm any other sustainable investment objectives, the Investment Manager applied its in-house methodology that covers Principal Adverse Impacts, controversies, misalignment with SDGs and ESG/governance quality checks. Based on our in-house methodology, we consider that investments in the fund do no harm. For this, we tested mandatory PAIs either directly, where data was available, or indirectly through the consideration of Controversies (social, environmental, governance, labour compliance), SDG alignment (environmental activities strongly misaligned with environmental SDGs and social activities strongly misaligned with social SDGs are not deemed sustainable), overall ESG and governance quality as well as the exclusion of some harmful sectors).

- ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Investment Manager sought to limit the principal adverse impacts from Table 1 Annex 1 on the sustainable investments primarily through the investment research, the application of an exclusion list and the norms-based screening.
The principal adverse impacts on sustainability factors are considered at different stages of the investment process:
- through the exclusion list
- in the context of its Investment Committee, the Investment Manager reviews all of the indicators available for the stocks in the portfolio
- in the Investment Manager's engagement with companies, both of individual and collective nature (including, but not limited to, GHG emissions, Activities negatively affecting biodiversity sensitive areas, Investing in companies without carbon emission reduction initiatives, Board gender diversity etc.)

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

This Sub-Fund did not invest in companies flagged as being in breach with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights according to the analyses of external providers.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Indicator	Metrics	Value	Covered assets	Eligible Assets	Planned actions
PAI 1	Greenhouse gas emissions (tCO2eq)- scope 1	8233.4	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 1	Greenhouse gas emissions (tCO2eq)- scope 2	3159.0	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 1	Greenhouse gas emissions (tCO2eq)- Scope 1+2	11392.45	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 2	Carbon footprint (tCO2eq/EURm invested)- Scope 1+2	59.9	96.7%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 3	GHG intensity of investee companies (tCO2eq/EURm revenue)- Scope 1+2	101.9	96.3%	97.5%	Monitor overall portfolio footprint and enga with individual holdings.
PAI 4	Share of investment in companies active in fossil fuel sector (%)	9.8	96.3%	97.5%	Continue to avoid exposure.
PAI 7	Share of investments with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas (%)	0.0	97.5%	97.5%	Continue to avoid exposure and engage wi holdings on biodiversity policy.
PAI 10	Share of investments that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.0	97.5%	97.5%	Continue to avoid exposure.
PAI 13	Average ratio of female board members	38.1	97.5%	97.5%	Continue to monitor and engage with holdings.
PAI 14	Share of investments involved in the manufacture or selling of controversial weapons	0.0	97.5%	97.5%	Continue to avoid exposure.

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	Country	% Assets
ASTRAZENECA PLC	Health Care	UK	5.66
UPM-KYMMENE CORP.	Materials	Finland	4.38
SANOFI	Health Care	France	4.08
EDP ENERGIAS R	Utilities	Portugal	3.72
SCHNEIDER ELECTRIC	Industrials	France	3.68
PEARSON PLC	Consumer Discretionary	UK	3.65
KERRY GRP-A-	Consumer Staples	Ireland	3.51
SPIE	Industrials	France	3.46
CNH INDUSTRIAL	Industrials	Netherlands	3.44
DIASORIN	Health Care	Italy	3.22
GEA GROUP AG	Industrials	Germany	3.14
THERMO FISHER SCIEN	Health Care	USA	3.11
GENMAB	Health Care	Denmark	3.02
NATWEST GRP RG	Financials	UK	3.02
INFINEON TECHNO	Information Technology	Germany	2.87

Source: UBP, as of 30 December 2022

Asset allocation describes the share of investments in specific assets.

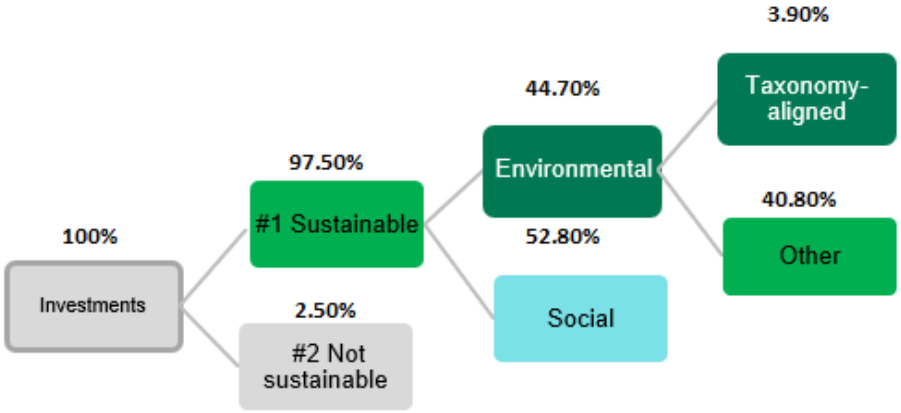
What was the proportion of sustainability-related investments?

97.50%

- ***What was the asset allocation?***

#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.



Source : UBP, as of 30 December 2022

- ***In which economic sectors were the investments made?***

Sector	% of net assets
Pharmaceuticals and cosmetics	14.87
Machine and apparatus construction	8.79
Utilities	8.73
Building materials and trade	8.01
Banks and other financial institutions	7.54
Electronics and semiconductors	7.31
Chemicals	6.00
Holding and finance companies	4.85
Paper and forest products	4.38
Electrical engineering and electronics	4.25
Foods and non alcoholic drinks	4.17
Graphic art and publishing	3.65
Biotechnology	3.02
Packaging industries	2.50
Road vehicles	1.87
Agriculture and fishery	1.73
Communications	1.71
Textiles and garments	1.61
Environmental services and recycling	1.36
Miscellaneous services	1.13
Total	**97.48**

To comply with the EU taxonomy, the criteria for **fossil gas** Include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have

Source: Fund administration data, as of 30 December 2022

The use of different data sources and systems may result in limited variations accross the various sections of the present report.

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

At the time of writing this report, four companies in which the fund is invested have reported their EU taxonomy aligned revenues for 2022 (GEA Group, Orsted, SPIE and Veolia). Considering the weight of these companies in the portfolio, this resulted in a revenue-based investment of 3.9% of total assets.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?***

☐ YES

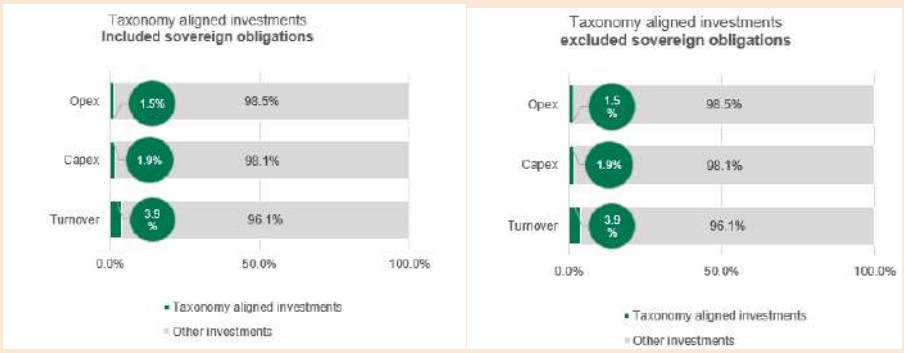
☒ In fossil gas ☐ in nuclear energy

☒ NO

"1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214."

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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.



**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

Source: Reported Taxonomy-alignment, based on company reports, as of 30 December 2022
There was no sovereign exposure in the sub-fund at the end of the year
The graph 'taxonomy aligned investments-excluded sovereign obligations' represents 100% of the total net assets.Note that, at the time of writing, while four investee companies had reported on their taxonomy-aligned revenues, only one of them had also reported on the alignment of its CAPEX and OPEX.

- ***What was the share of investments in transitional and enabling activities?***

Estimated share of investments in transitional activities	0%
Estimated share of investments in enabling activities	0%

Source: based on company reports, as of 30 December 2022

We do not have reported information for the split of enabling and transitional activities at the time of writing, hence the 0% above for both transitional and enabling activities.

Based on Sustainalytics estimates, the Sub-Fund may hold 3.1% investments in enabling activities and 0% in transitional activities.

- ***How did the percentage of investments aligned with the EU Taxonomy compare with previous reference peeriods?***

  N/A

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

40.8%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

This includes:

- 3.6% invested in companies having a share of their revenues estimated by Sustainalytics to be taxonomy aligned, but for which reported data was not available at the time of writing
- Other investments with an environmental objective that is not covered by the EU Taxonomy (which currently only covers climate change mitigation and adaptation)

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of socially sustainable investments?

52.8%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

2.5%

The Sub-Fund held 2.5% in other net assets (primarily cash plus derivatives used for share class hedging) at the end of the year. While there was no minimum environmental or social safeguards on these investments, this is not expected to have any impact on the sustainability objective of this Sub-Fund.

Source : UBP, as of 30 December 2022



What actions have been taken to attain the sustainable investment objective during the reference period?

On the investment side, every invested company has been assessed through an internally-designed methodology which includes but is not limited to:

- principal adverse impact indicators review
- controversies monitoring
- overall ESG/governance quality assessments,
- an exclusion list,
- materiality estimates in the IMAP score: the scoring of materiality (the share of a business represented by positive-impact business line) is a net score which also reflects any business lines with a neutral or even negative impact.

The Investment Manager exercises its voting rights, in line with the voting policy which follows sustainablitly principles.

Engagement with investee companies is conducted directly by the investment team as well as, on an ad-hoc basis, collaboratively.

The Investment manager participates in collaborative engagement to promote climate disclosures and ambitious climate strategies, notably via the CDP.

Engagement examples are provided in the annual impact report.

How did this financial product perform compared to the reference sustainable benchmark?

No reference benchmark.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with benchmark?***

  N/A