

# NN Strategy Non Fiscal

## NN Scala Invest

### Document précontractuel de durabilité

Informations précontractuelles relatives aux produits financiers visées à l'article 8, paragraphes 1, 2 et 2 bis, du règlement (UE) 2019/2088 et à l'article 6, premier alinéa, du règlement (UE) 2020/852, et conformément à l'article 20 du règlement délégué (UE) 2022/1288

Version : 20/10/2023

Les informations sur la durabilité contenues dans ce document de produit précontractuel ont été préparées au mieux par NN Insurance Belgium SA/NV sur la base des informations actuellement disponibles pour les gestionnaires d'actifs. Toutefois, la réglementation imposant à ces gestionnaires de fortune de mettre ces informations à disposition n'est entrée en vigueur que le 1er janvier 2023. Les informations contenues dans ce document peuvent être modifiées et/ou complétées en fonction des informations que les gestionnaires d'actifs fourniront dans les mois à venir.

## 1. Transparence des politiques de risque en matière de durabilité

Conformément à l'Article 3 du Sustainable Finance Disclosure Regulation (« **SFDR** »), NN Insurance Belgium (« **NN IB** ») est tenue de divulguer ses politiques en matière d'intégration des risques de durabilité dans son processus décisionnel en matière d'investissement. Le SFDR définit le risque de durabilité comme un événement ou une condition environnementale, sociale ou de gouvernance qui, s'il se produit, pourrait avoir un impact négatif important réel ou potentiel sur la valeur de l'investissement. Ces divulgations sont énumérées ci-dessous.

### **Facteurs et risques environnementaux, sociaux et de gouvernance (ESG)**

NN IB considère les risques de développement durable comme des risques liés à des facteurs environnementaux, sociaux et de gouvernance (« facteurs **ESG** ») qui peuvent avoir un impact négatif significatif sur la performance, la réputation, la valeur, le bilan ou les opérations à long terme de NN Group.

En ce qui concerne le SFDR, cela inclut les facteurs ESG qui peuvent avoir un impact négatif significatif sur la valeur des investissements dans les produits financiers des clients de NN IB. Voici des exemples de facteurs environnementaux, sociaux et de gouvernance (ESG) :

- **Facteurs environnementaux** : changement climatique, autres formes de dégradation de l'environnement (par exemple, pollution de l'air, pollution de l'eau, pénurie d'eau douce, contamination des terres, perte de biodiversité et déforestation) et bien-être animal, en plus des mesures correctives visant à remédier à ces facteurs. Le changement climatique est divisé en
  - a) les effets transitoires résultant de la transition vers une économie verte et à faible intensité de carbone ;
  - b) les effets physiques résultant de changements dans les conditions météorologiques, la température, les conditions hydrologiques ou les écosystèmes naturels (changements aigus ou à plus long terme).
- **Facteurs sociaux** : droits, bien-être et intérêts des personnes et des communautés, y compris les droits de la personne, l'(in)égalité, la santé, l'inclusion, la diversité, les droits des employés et les relations de travail, la santé et la sécurité au travail.
- **Facteurs de gouvernance** : poursuivre ou appliquer des pratiques de gouvernance appropriées, notamment en ce qui concerne la direction, la rémunération des dirigeants, les audits, les contrôles internes, l'évasion fiscale, l'indépendance du conseil d'administration, les droits des actionnaires, la lutte contre la corruption et les pots de vin, ainsi que la manière dont les entreprises ou entités incluent les facteurs environnementaux et sociaux dans leurs politiques et procédures.

### **Taxonomie des Risques NN**

NN IB a défini et catégorisé son paysage générique des risques inhérents dans une Taxonomie des Risques. NN IB considère les risques de durabilité comme des risques transversaux. Cela signifie que nous considérons que les risques de durabilité se manifestent par des types de risques reconnus dans la Taxonomie des Risques. Les risques identifiés dans la Taxonomie des Risques se rapportent à divers domaines de risque, tels que les risques émergents, les risques stratégiques, les risques financiers et les risques non financiers. Ceux-ci couvrent les opérations et les produits propres de NN IB, mais aussi les investissements réalisés. Dans le cadre de la Taxonomie des Risques, les facteurs ESG ont été mis en correspondance avec les catégories de risque liées à l'investissement. Ces facteurs ESG sont considérés comme des facteurs de risque, ce qui signifie que nous pensons qu'ils peuvent influencer les niveaux de risque des différentes catégories de risque d'investissement identifiées. Des exemples de ces catégories de risque sont le risque d'actif.

## Application dans la prise de décision d'investissement

NN IB prend en compte les risques de durabilité dans le processus de prise de décision d'investissement de différentes manières. La façon exacte dont cela est fait n'est pas statique, car notre approche évolue au fil du temps en fonction des informations obtenues, des pratiques des marchés émergents, de la disponibilité de données et d'outils pertinents et robustes et des développements réglementaires. En outre, la manière dont les risques en matière de durabilité peuvent être pris en compte dépend également de l'investissement ou de la proposition de produit spécifique – il peut donc y avoir des différences entre l'approche générale et l'approche appliquée à des propositions d'investissement ou de produit spécifiques. Les principaux domaines dans lesquels NN IB prend en compte les risques de durabilité dans le processus décisionnel d'investissement sont les suivants.

| # | Aire   | Description  |
|---|--|--|
| 1 | Application par NN IB de la <i>Responsible Investment Framework policy</i> de NN Group («RI Framework policy») au niveau du gestionnaire et de la sélection des fonds et au niveau du portefeuille | <p>NN Group dispose d'une vaste politique de cadre d'investissement responsable, qui couvre un éventail de sujets tels que l'actionnariat actif (engagement et vote), les restrictions et l'intégration systématique des risques et opportunités importants en matière de durabilité dans la recherche et l'analyse des investissements. Nous croyons que grâce à l'application de ces exigences et méthodes, les risques de durabilité sont directement ou indirectement réduits pour les investissements que nous faisons. Bien que les restrictions soient souvent fondées sur nos valeurs et nos normes sociétales, elles contribuent également à réduire les risques liés aux actifs – par exemple, les restrictions sur les investissements dans les entreprises impliquées dans le charbon thermique devraient réduire le risque que ces investissements deviennent des actifs échoués. Veuillez consulter <a href="https://www.nn-group.com/sustainability/responsible-investment/responsible-investment-policy-framework.htm">https://www.nn-group.com/sustainability/responsible-investment/responsible-investment-policy-framework.htm</a> pour plus d'informations sur la Responsible Investment Framework policy de NN Group.</p> <p>Comme NN IB investit par l'intermédiaire de gestionnaires externes, nous tenons compte des critères ESG dans le processus de sélection des gestionnaires d'actifs externes. Ces gestionnaires d'actifs gèrent leurs fonds selon leur propre stratégie et NN IB décide d'investir ou non dans ceux-ci.</p> <p>Ces critères sont inclus dans le processus de diligence raisonnable et de sélection, de suivi et d'évaluation du gestionnaire, dans lequel NN IB examine si le gestionnaire a mis en place des processus structurels et des méthodologies appropriés en relation avec les domaines clés de la politique du cadre d'investissement responsable de NN Group, y compris les risques de durabilité.</p> |
| 2 | Processus d'approbation et d'examen des produits (« PAR »)   | Dans le cadre du processus d'approbation et d'examen des produits (PAR), NN IB analyse et documente la manière dont les risques de durabilité peuvent avoir un impact sur les passifs (appelés <i>réclamations</i> ) d'un produit spécifique, dans lequel la durée des passifs est également prise en compte.  |
| 3 | Évaluations des risques  | NN IB effectue régulièrement des évaluations des risques. Une évaluation qualitative des risques liés à la durabilité est effectuée afin d'identifier les risques et, le cas échéant, de déterminer les mesures d'atténuation des risques.   |

## 2. Classification des fonds (options d'investissement)

NN Strategy-Non-fiscal/Scala Invest se compose de 40 fonds d'investissement sous-jacents, dont certains promeuvent des caractéristiques écologiques et/ou sociales ou poursuivent un objectif d'investissement durable. Le fonds interne investit à 100% dans le fonds d'investissement sous-jacent. L'objectif et la politique d'investissement du fonds interne sont 100% conformes à l'objectif et à la politique d'investissement du fonds d'investissement sous-jacent.

Sur la base des informations fournies par le gestionnaire d'actifs des fonds d'investissement sous-jacents, ces fonds d'investissement sous-jacents ont été classés au titre de l'article 6, 8 ou 9 du SFDR.<sup>123</sup>

31 des fonds ( 77,50 % du nombre total de fonds) sont classés au titre de l'article 8 du SFDR, 6 fonds (15% du nombre total de fonds) sont classés au titre de l'article 9 du SFDR et 3 fonds ( 7,50 % du nombre total de fonds) sont classés au titre de l'article 6 du SFDR.

Pour les fonds relevant des articles 8 et 9, de plus amples informations sur les caractéristiques durables sont disponibles sur la page produit de notre site web:

- **NN Strategy non-fiscal** : <https://www.nn.be/fr/prive/investissements/nn-strategy-investissement-libre-dans-la-branche-23-non-fiscal>
- **NN Scala Invest** : <https://www.nn.be/fr/product/scala-invest-investissement-libre-dans-la-branche-23>

sous « Documents importants ».

Les informations relatives à la prise en compte des principaux effets négatifs des décisions d'investissement sur les facteurs de durabilité inclus par les fonds d'investissement sous-jacents sont disponibles dans les informations précontractuelles relatives à chacune de ces options d'investissement. Toutefois, lors du choix des options d'investissement pour ce produit, la prise en compte de ces principaux effets négatifs n'a pas été déterminante.

## 3. Classification du produit

NN Insurance Belgium SA a classé ce produit au titre de l'article 8 SFDR car il favorise les caractéristiques écologiques et/ou sociales. Pour que le produit puisse être classé au titre de l'article 8 SFDR pour le preneur d'assurance, le produit financier doit être investi dans au moins une des options d'investissement classées aux articles 8 ou 9 de la liste ci-dessous et au moins une de ces options de placement doit être détenue pendant la période pendant laquelle le produit est détenu.

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<sup>1</sup> Article 6 SFDR: le fonds ne promeut pas les caractéristiques écologiques et/ou sociales et ne poursuit pas d'objectifs d'investissement durable.

<sup>2</sup> Article 8 SFDR: le fonds promeut les caractéristiques écologiques et/ou sociales.

<sup>3</sup> Article 9 SFDR: le fonds poursuit un objectif d'investissement durable.

Liste des fonds d'investissement:

| Nom du fonds interne                                      | Nom du gestionnaire d'actifs            | Nom du fonds d'investissement sous-jacent                      | Code ISIN    | Classification SFDR |
|---|---|--|--------------|---------------------|
| NN BlackRock BGF Global Allocation Fund A2 Fund           | BlackRock                               | BGF Global Allocation Fund A2 EUR (CAP)                        | LU0171283459 | 6 (2)               |
| NN Capital Group Global Allocation Fund                   | Capital Group                           | Capital Group Global Allocation Fund (LUX) B EUR               | LU1006075656 | 6 (3)               |
| NN Carmignac Emergents Fund                               | Carmignac Gestion                       | Carmignac Emergents A EUR Acc                                  | FR0010149302 | 9                   |
| NN Carmignac Patrimoine Fund                              | Carmignac Gestion                       | Carmignac Patrimoine A EUR Acc                                 | FR0010135103 | 8                   |
| NN DNCA Invest Eurose Fund                                | DNCA Investments                        | DNCA Invest Eurose   | LU0284394235 | 8                   |
| NN Ethenea Ethna-AKTIV Fund                               | ETHENEA Independent Investors S.A.      | Ethna-AKTIV -T-  | LU0431139764 | 8                   |
| NN FFG European Equities Sustainable Moderate Fund        | Funds For Good                          | FFG European Equities Sustainable Moderate                     | LU0945616984 | 8                   |
| NN FFG Global Flexible Sustainable Fund                   | Funds For Good                          | FFG Global Flexible Sustainable                                | LU1697917083 | 8                   |
| NN Fidelity America Fund                                  | Fidelity International                  | Fidelity Funds - America Fund                                  | LU0251127410 | 8                   |
| NN Fidelity Pacific Fund                                  | Fidelity International                  | Fidelity Funds - Pacific Fund                                  | LU0368678339 | 8                   |
| NN Fidelity World Fund                                    | Fidelity International                  | Fidelity Funds - World Fund                                    | LU1261432659 | 8                   |
| NN Flossbach von Storch - Bond Opportunities Fund         | Flossbach von Storch                    | Flossbach von Storch - Bond Opportunities - RT                 | LU1481583711 | 8                   |
| NN Flossbach von Storch Multiple Opportunities II RT Fund | Flossbach von Storch                    | Flossbach von Storch Multiple Opportunities II RT              | LU1038809395 | 8                   |
| NN GS Emerging Markets Debt Fund                          | Goldman Sachs Asset Management          | Goldman Sachs Emerging Markets Debt (Hard Currency)            | LU0546915058 | 8                   |
| NN GS Euro Bond Fund                                      | Goldman Sachs Asset Management          | Goldman Sachs Euro Bond  | LU0546917773 | 8                   |
| NN GS Europe Sustainable Equity Fund                      | Goldman Sachs Asset Management          | Goldman Sachs Europe Sustainable Equity                        | LU0991964320 | 8                   |
| NN GS Eurozone Equity Income Fund                         | Goldman Sachs Asset Management          | Goldman Sachs Eurozone Equity Income                           | LU0127786431 | 8                   |
| NN GS Global Social Impact Equity Fund                    | Goldman Sachs Asset Management          | Goldman Sachs Global Social Impact Equity                      | LU0332192961 | 9                   |
| NN GS Global Sustainable Equity Fund                      | Goldman Sachs Asset Management          | Goldman Sachs Global Sustainable Equity                        | LU0119216553 | 8                   |
| NN GS Multi Asset Factor Opportunities Fund               | Goldman Sachs Asset Management          | Goldman Sachs Multi Asset Factor Opportunities                 | LU2055071596 | 6 (1)               |
| NN GS Patrimonial Aggressive Fund                         | Goldman Sachs Asset Management          | Goldman Sachs Patrimonial Aggressive                           | LU0119195450 | 8                   |
| NN GS Patrimonial Balanced Europe Sustainable Fund        | Goldman Sachs Asset Management          | Goldman Sachs Patrimonial Balanced Europe Sustainable          | LU1444115874 | 8                   |
| NN GS Patrimonial Balanced Fund                           | Goldman Sachs Asset Management          | Goldman Sachs Patrimonial Balanced                             | LU0119195963 | 8                   |
| NN GS Patrimonial Defensive Fund                          | Goldman Sachs Asset Management          | Goldman Sachs Patrimonial Defensive                            | LU0119196938 | 8                   |
| NN JP Morgan Euro Liquidity Fund                          | JPMorgan Asset Management               | JPMorgan Liquidity Funds - EUR Standard Money Market VNAV Fund | LU2095450479 | 8                   |
| NN JPM US Technology Fund                                 | JPMorgan Asset Management               | JPM US Technology Fund   | LU0159052710 | 8                   |
| NN Lazard Patrimoine Opportunities SRI Fund               | Lazard Frères Gestion                   | Lazard Patrimoine Opportunities SRI RC EUR                     | FR0007028543 | 8                   |
| NN M&G Dynamic Allocation Fund                            | M&G Investments                         | M&G (Lux) Dynamic Allocation Fund                              | LU1582988058 | 8                   |
| NN M&G Global Listed Infrastructure Fund                  | M&G Investments                         | M&G (Lux) Global Listed Infrastructure Fund                    | LU1665237704 | 8                   |
| NN M&G Optimal Income Fund                                | M&G Investments                         | M&G (Lux) Optimal Income Fund                                  | LU1670724373 | 8                   |
| NN Nordea Global Climate and Environment Fund             | Nordea Asset Management                 | Nordea Global Climate and Environment Fund                     | LU0348926287 | 9                   |
| NN Nordea Global Real Estate Fund                         | Nordea Asset Management                 | Nordea Global Real Estate Fund                                 | LU0705259769 | 8                   |
| NN Pictet-Global Megatrend Selection Fund                 | Pictet Asset Management                 | Pictet-Global Megatrend Selection                              | LU0386882277 | 8                   |
| NN R-co Valor Balanced Fund                               | Rothschild & Co Asset Management Europe | R-co Valor Balanced  | FR0013367281 | 8                   |
| NN R-co Valor Fund  | Rothschild & Co Asset Management Europe | R-co Valor   | FR0011261197 | 8                   |
| NN Schroder ISF Global Energy Transition Fund             | Schroders                               | Schroder ISF Global Energy Transition                          | LU2390151400 | 9                   |

|   |                                   |   |              |   |
|---|-----------------------------------|---|--------------|---|
| NN Threadneedle Global Focus Fund             | Columbia Threadneedle Investments | Threadneedle (Lux) Global Focus             | LU0757431068 | 8 |
| NN Threadneedle Global Smaller Companies Fund | Columbia Threadneedle Investments | Threadneedle (Lux) Global Smaller Companies | LU0570870567 | 8 |
| NN Triodos Euro Bond Impact Fund              | Triodos Investment Management     | Triodos Euro Bond Impact Fund               | LU0278272504 | 9 |
| NN Triodos Global Equities Impact Fund        | Triodos Investment Management     | Triodos Global Equities Impact Fund         | LU0278271951 | 9 |

Le règlement européen SFDR ne prévoit pas d'annexe spécifique pour les fonds relevant de l'article 6. Le cas échéant, une information sur les principales incidences négatives (PAI) sur les facteurs de durabilité est fournie via un lien ci-dessous.

(1) <https://www.gsam.com/responsible-investing/fr-BE/non-professional/about/declaration-sur-les-principales-incidences-negatives-en-matiere-de-durabilite>

(2) <https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/sfdr-principal-adverse-sustainability-impact-statement.pdf>

(3) [https://www.capitalgroup.com/content/dam/cgc/tenants/eacg/esg/files/annex\(fr\).pdf](https://www.capitalgroup.com/content/dam/cgc/tenants/eacg/esg/files/annex(fr).pdf)

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: **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 include 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 objective?  |  |
|---|--|
| <input checked="" type="radio"/> <input checked="" type="radio"/> Yes   | <input checked="" type="radio"/> <input type="radio"/> No  |
| <input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ____%<br><br><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br><br><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br><br><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ____% | <input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of <b>51%</b> of sustainable investments<br><br><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br><br><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br><br><input checked="" type="checkbox"/> with a social objective<br><br><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b> |

*Note: Sustainable investments are 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 contribute to environmental or social objectives.*



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

The environmental and social characteristics of this financial product are:

- **Positive impact:**

The fund seeks to achieve 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 invests 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 excludes issuers that are in severe breach of international norms or have significant activities with adverse impacts on society or the environment.

- **Active ownership:**

The fund methodically exercises its voting rights. The fund may also engage with the management of companies on material ESG issues and may discontinue investment if progress proves unsatisfactory.

- See also: “What investment strategy does this financial product follow?” and “Does this financial product consider principal adverse impacts on sustainability factors?”.

Sustainability indicators measure 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?**

Indicators the fund uses include:

- 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
- exposure to revenues from economic activities that contribute to environmental and/ or social objectives
- overall ESG profile
- Principle Adverse Impact (PAI) indicators such as exposure to issuers that are in severe breach of international norms or have significant activities with adverse E/S impacts on society or the environment
- percentage of eligible company meetings where voting rights were exercised

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

The fund mainly invests in securities financing economic activities that substantially contribute to environmental or social objectives such as:

Environmental

- climate change mitigation
- climate change 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

This is achieved by investing in securities financing economic activities that substantially contribute to environmental or social objectives such as those listed above.

Eligible securities include 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.

● **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?**

The fund considers an investment sustainable if it does no significant harm to any E/S objective, which the investment team determines by using a combination of quantitative and qualitative assessments at issuer level. The assessments draw on both general and industry-relevant indicators, and include exposure to material sustainability risks. Periodic reviews and risk controls are in place to monitor implementation.

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

The fund considers and, where possible, mitigates adverse impacts of its investments on society and the environment through a combination of portfolio management decisions, active ownership activities, and exclusion of issuers associated with controversial conduct or activities.

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

The fund excludes issuers that are subject to severe controversies in areas such as human rights, labour standards, environmental protection and anti-corruption.

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 EU criteria.*

The “do not significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

☒ Yes, the fund considers and, where possible, mitigates 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.

Please refer to Pictet Asset Management's Responsible Investment policy for the list of PAIs.

► See also detailed information on exclusions in Pictet Asset Management's Responsible Investment policy.

☐ No



## What investment strategy does this financial product follow?

### Objective:

To increase the value of your investment while seeking to achieve a positive environmental and/or social impact.

### Reference index:

MSCI AC World (USD), an index that does not take into account environmental, social and governance (ESG) factors. Used for performance objective and performance measurement.

### Portfolio assets:

The fund mainly invests in equities of companies that appear to benefit from demographic, environmental, lifestyle and other long-term global trends. The fund may invest worldwide, including in emerging markets and Mainland China.

### Derivatives and structured products:

The fund may use derivatives to reduce various risks (hedging)

and for efficient portfolio management, and may use structured products to gain exposure to portfolio assets.

### Investment process:

In actively managing the fund, the investment manager uses a combination of market and fundamental company analysis to select securities that it believes offer favourable growth prospects at a reasonable price. The investment manager considers ESG factors a core element of its strategy by seeking to invest mainly in economic activities that contribute to an environmental and social objective whilst avoiding activities that adversely affect society or the environment. Voting rights are methodically exercised and there may be engagement with companies to positively influence ESG practices. For further information, please refer to our exclusion framework in the Responsible Investment policy, SFDR product category Article 8. The portfolio composition is not constrained relative to the benchmark, so the similarity of the fund's performance to that of the benchmark may vary.

### Fund currency:

USD

- **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 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,

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

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

To ensure ongoing compliance, the fund monitors the ESG profile of all securities and issuers that form part of the minimum percentage of E/S investments stated in “What is the asset allocation planned for this financial product?”. The fund draws on information from various sources, such as proprietary fundamental analysis, ESG research providers, third-party analyses (including those from brokers), credit rating services and financial and general media. Based on this information, the investment manager may decide to add or discontinue certain securities, or increase or decrease its holdings in certain securities.

- ▶ See also: “What investment strategy does this financial product follow?” and “Does this financial product consider principal adverse impacts on sustainability factors?”.

## ● What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not applicable

## ● What is the policy to assess good governance practices of the investee companies?

The fund assesses company decision-making processes and controls, as well as how management balances the interests of shareholders, employees, suppliers, customers, the community and other stakeholders.

Assessed areas may include:

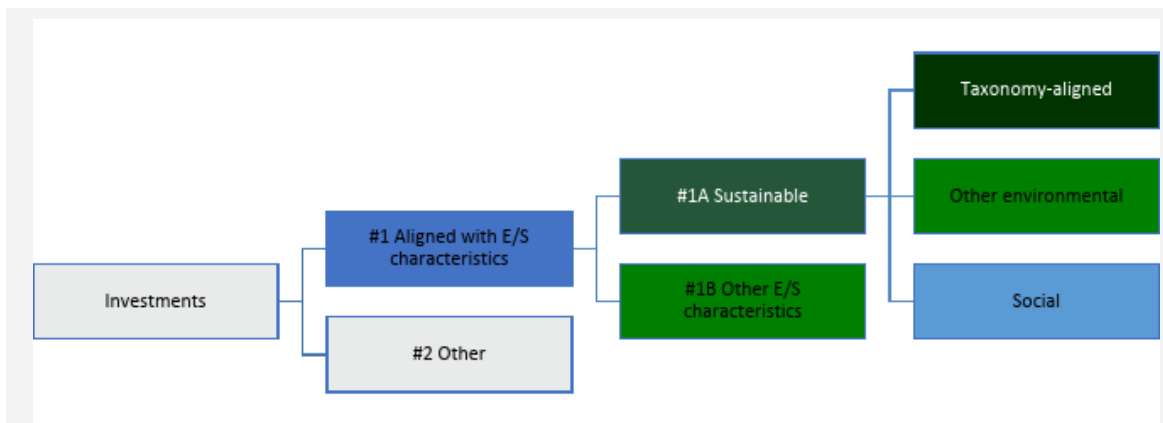
- the composition of the executive team and board of directors, including the experience, diversity and distribution of roles, along with succession planning and board evaluation
- executive remuneration, including short term and long term incentives and their alignment with investor interests
- risk control and reporting, including auditor independence and tenure
- shareholder rights, including one-share-one-vote and related-party transactions

## What is the asset allocation planned for this financial product?

The fund is at least 90% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and up to 10% invested in Other (#2 Other). At least 51% are allocated to Sustainable Investments (#1A Sustainable Investments) and the remainder will be invested in investments aligned with other environmental and/or social characteristics (#1B Other E/S characteristics).

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**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 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.

• Sustainable investments are 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 contribute to environmental or social objectives.

• 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.

• EU Green taxonomy-aligned investments are 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. Screening criteria are applied on a best effort basis to mitigate significant harm and uphold minimum social safeguards.

### ● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The fund does not use derivatives to attain the promoted environmental or social characteristics. However, exclusions are applied to all types of securities (equities, bonds, convertible bonds) issued by excluded entities, including participation notes and derivatives issued by third parties on such securities.



To what minimum extent are 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<sup>1</sup>?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

*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*

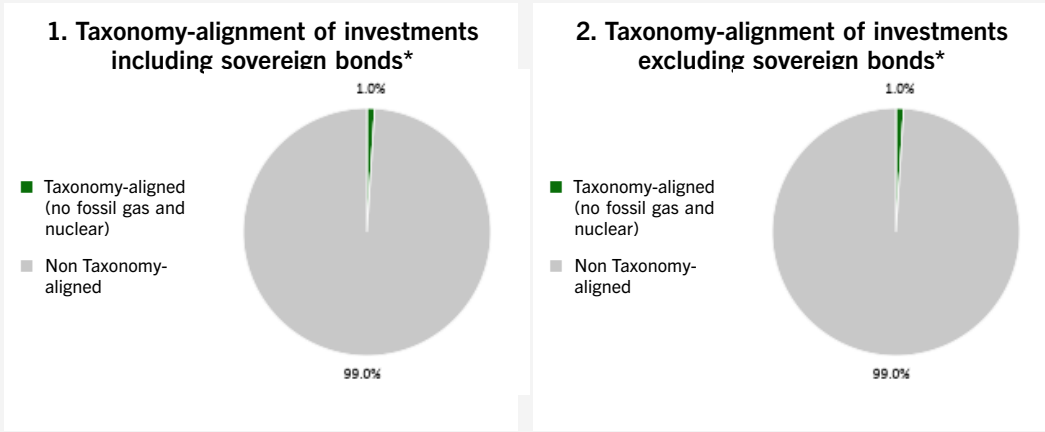
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

<sup>1</sup> 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.

- **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.

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

*Note: EU Green taxonomy-aligned investments are 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. Screening criteria are applied on a best effort basis to mitigate significant harm and uphold minimum social safeguards.*

- What is the minimum share of investments in transitional and enabling activities?**  
 The minimum commitment of investments in transitional and enabling activities is 0% due to the lack of feasibility to make binding commitments.

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

The minimum share of sustainable investments with an environmental objective is 10%. The sum of investments with a social and environmental objective will be at least 51%.



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 is the minimum share of socially sustainable investments?**

The minimum share of sustainable investments with a social objective is 20%. The sum of investments with a social and environmental objective will be at least 51%.



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

The fund’s “other” investments include cash positions, and derivatives. Where relevant, minimum environmental or social safeguards apply to the underlying securities.

- See also: “What investment strategy does this financial product follow?”.



## 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?

No reference index has been designated for the purpose of attaining the environmental or social characteristics promoted by the fund.

- **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 on the website:

<https://documents.am.pictet/?isin=LU0386859887&dla=en&cat=sfdr-permalink>

Pictet Asset Management's Responsible Investment policy:

[https://documents.am.pictet/library/en/other?documentTypes=RI\\_POLICY&businessLine=PAM](https://documents.am.pictet/library/en/other?documentTypes=RI_POLICY&businessLine=PAM)