

Article 8 SFDR – Website Disclosure
FDC SICAV Global Equities – Active 1
LEI: 5493000TXROJXU550H96

Overview

Fonds de Compensation de la Sécurité Sociale, SICAV-FIS has appointed Robeco Institutional Asset Management BV (“Robeco”) as portfolio manager of its sub-fund FDC SICAV Global Equities – Active 1 (the “Sub-Fund”). The management of the FDC Sub-Fund has been classified under Article 8 of SFDR¹.

It should be noted that, in implementing its investment strategy and as an overarching binding restriction, Robeco is required to exclude from the Sub-Fund companies referenced on Fonds de Compensation de la Sécurité Sociale, SICAV-FIS’ proprietary exclusion list. The latter screens 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. Equally screened out are companies linked to following controversial weapons: anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus and nuclear weapons. Fonds de Compensation de la Sécurité Sociale, SICAV-FIS’ exclusion list can be viewed at <https://fdc.public.lu/en/investissement-responsable/liste-exclusion-fdc.html>.

No sustainable investment objective

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

Environmental or social characteristic of the financial product

The Sub-Fund has the following E/S characteristics:

1. The Sub-Fund promotes certain minimum environmental and social safeguards through applying exclusion criteria with regards to products and business practices that Robeco believes are detrimental to society and incompatible with sustainable investment strategies.
2. The Sub-Fund scrutinizes investment in companies that are in breach of the International Labour Organization’s (ILO) labour standards, the United Nations Guiding Principles for Business and Human Rights (UNGPs), UNGC or the OECD Guidelines for Multinational Enterprises.
3. The Sub-Fund’s weighted average ESG score is better than that of the general market index.
4. The Sub-Fund promotes having a lower environmental footprint than the general market index.
5. The Sub-Fund promotes investments in a portfolio that avoid significant harm to the Sustainable Development Goals (SDGs).

There is no reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

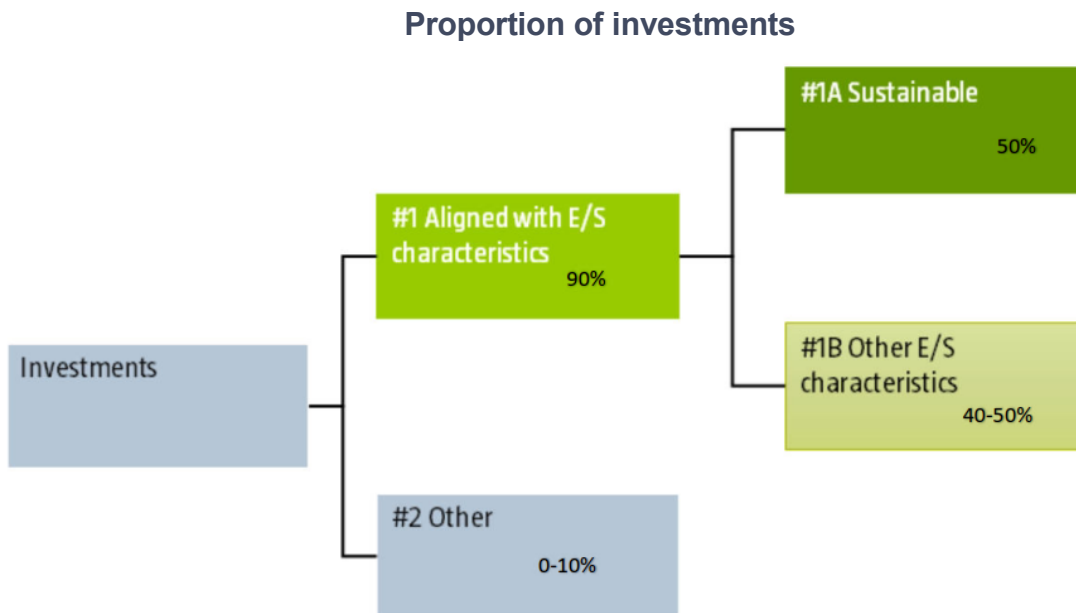
Investment Strategy

The Sub-Fund is an actively managed sub-fund that invests in stocks in developed countries across the world. The selection of these stocks is based on a quantitative model. The Sub-Fund integrates sustainability indicators on a continuous basis as part of the stock selection process. Amongst others, the Sub-Fund applies norms-based and activity-based exclusions, Robeco’s good governance policy and considers Principal Adverse Impacts (PAIs) in the investment process.

To assess good governance practices of the investee companies, including with respect to sound

¹ Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (“SFDR”).

management structures, employee relations, remuneration of staff and tax compliance, Robeco has a Good Governance policy to assess governance practices of companies. Robeco's Good Governance policy applies to the Sub-Fund. For more information, please refer to <https://www.robeco.com/docm/docu-robeco-good-governance-policy.pdf>.



#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*

Consideration of Principal Adverse Impact Indicators

Pre-investment, the following principal adverse impacts on sustainability factors are considered:

- Via the applied normative and activity-based exclusions, the following PAIs are considered:
 - Exposure to companies active in the fossil fuel sector (PAI 4, 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).
 - Activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1). 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).
- Via the environmental footprint performance targets of the Sub-Fund, the following PAIs are considered:
 - Carbon footprint (PAI 2, Table 1).
 - Water and waste indicators (PAI 7-9, Table 1). Robeco will use only water and waste footprint until data quality and coverage of the PAIs will improve.

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via Robeco's entity engagement program, the following PAIs are considered:

- All indicators related to climate and other environment-related indicators (PAI 1-9, Table 1)
- Violations of the UN GC and 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.

More information is available via Robeco's Principal Adverse Impact Statement: <https://www.robeco.com/docm/docu-robeco-principal-adverse-impact-statement.pdf>

The sustainable investments are 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.

Monitoring of environmental or social characteristics

1. All exclusions are coded in Robeco's Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place.
2. The second line of defence (Robeco Risk Management) monitors a) the carbon, water, and waste footprint, b) the weighted average ESG score and c) all SDG scores of the Sub-Fund's portfolio versus the reference index on a daily basis and facilitates pre-trade compliance.
3. Engagement results are periodically assessed by an internal and external audit. Unsuccessful engagement might lead to exclusion. All exclusions are coded in Robeco's Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place.

Methodologies for environmental or social characteristics

Robeco maintains comprehensive methodology documents of its proprietary analytical frameworks on Robeco's website. These whitepapers go into greater depth, provide further insight into data sources and processes applied within their respective domains. More information in relation to these methodologies can be found at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

In addition, for some social and environmental characteristics, Robeco relies on externally sourced content for which we aim to select the best of breed vendor for each of Robeco's target characteristics. Each vendor will have its own approach and set of internal processes, over which we have only limited influence as an end consumer. More information with regards to these methodologies can be found at <https://www.robeco.com/docm/docu-robeco-sfdr-data-disclosures.pdf>.

Data sources and processing

Robeco uses the following data sources:

1. Robeco uses Sustainalytics as primary data source for its exclusion screening process. The quality of this screening is enhanced with Robeco in-house analysis. For the screening on palm oil production from RSPO-certified plantations, data from RSPO.org is used. More information on the methodology, and potential limitations can be found at <https://www.robeco.com/docm/docu-exclusion-policy.pdf>.
2. The enhanced engagement program uses data derived from a Robeco internal process.
3. The Sub-Fund's environmental footprint is calculated based on Trucost environmental data.
4. The Sub-Fund's ESG scores are based on Sustainalytics data.
5. The SDG framework uses data derived from a Robeco internal process.

Robeco scrutinises the data quality of each provider during due diligence assessments that includes reviewing the data model, performing statistical checks and evaluating coverage. Data processing takes places in different forms, the preference is always to have data acquisition as automated as possible to avoid any operational risks or unnecessary human intervention.

It is currently complex to report sufficiently accurate yet broad numbers on the proportion of data that is estimated. Robeco has calculated the weighted proportion of assets covered per PAI within Robeco's standard equity and fixed income benchmarks. These figures have been calculated per provider and, where

relevant, Robeco used this coverage figure as a determining factor in Robeco's choice of vendor for that PAI since, ceteris paribus, Robeco prefers higher coverage for its investible universe.

Robeco intends to investigate a methodology for determining the proportion of data that has been internally enriched to support wider applications, e.g., by cascading to the broader corporate structure or using sector averages as proxies. Evaluating the proportion of vendor sourced data that is estimated remains a challenge due to insufficient metadata.

More information in relation to data quality and processing can be found in the SFDR data disclosures available at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

Limitations to methodologies and data

The primary limitation to the methodology or data source is the lack of corporate disclosure. Like many other financial market participants, Robeco struggles to find adequate information on PAIs. To overcome this issue, Robeco has resorted to using multiple data providers, since each has its own respective strengths and weaknesses. Robeco does not expect the corporate reporting landscape to change significantly until the anticipated introduction of the Corporate Sustainability Reporting Directive (CSRD) in 2025.

In terms of methodology, Robeco frequently sees divergence in the way that data vendors deal with certain topics. For instance, for GHG emissions, some vendors blend corporate reporting with modelled data. It has been a common experience to note that 'reported' data can vary between providers due to conflicting policies, quality assurance and other case-by-case factors. Robeco is not alone in this view as evidenced by the numerous reports from industry associations and trade bodies such as EuroSIF and IOSCO on the quality and transparency of ESG data products. Robeco's environmental objectives are predominantly linked to more mature themes, specifically carbon, water and waste. Disclosure is far greater today within these areas and so Robeco is able to evaluate a satisfactory proportion of its universe to be able to perform tasks such as exclusions and comparisons between portfolio and benchmark.

More information in relation to data quality and processing can be found in the SFDR data disclosures available at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

Due diligence

Robeco has incorporated the sustainability aspects of the investment strategies into adequate investment due diligence processes and procedures for the selection and monitoring of investments, amongst others taking into account Robeco's risk appetite and sustainability risk management policies.

Specific details on investment due diligence are available in Robeco's Investment Due Diligence Policy as described at <https://www.robeco.com/docm/docu-robeco-sfdr-data-disclosures.pdf>.

Engagement policies

The holdings of the Sub-Fund are subject to Robeco's enhanced engagement program that focuses on companies that severely breach minimum standards which Robeco has set out in terms of corporate behaviour, climate and biodiversity. In evaluating corporate behaviour, Robeco expects companies to comply with internationally accepted codes of conduct for corporate governance, social responsibility, the environment and transparency such as the UNGC and OECD Guidelines for Multinational Enterprises. In the areas of climate change and biodiversity, Robeco expects companies to make sufficient progress against Robeco's climate traffic light score or against the RSPO certification, respectively. The process for enhanced engagement theme selection is a formal part of Robeco's exclusion policy. Enhanced Engagement program includes the themes 'Global controversy', 'Acceleration to Paris', and 'Palm oil'.

In addition, the holdings of the Sub-Fund are subject to the selection process of Robeco's value engagement program that consists of a constructive dialogue between investors and investee companies to discuss how they manage ESG risks and opportunities, as well as stakeholder impact. Although this type of engagement is not directly related to the environmental or social investment strategy of the Sub-Fund, it can be that adverse sustainability impacts are addressed via the value engagement program.

More information can be found in Robeco's Stewardship Policy available at <https://www.robeco.com/docm/docu-robeco-stewardship-policy.pdf>.

Designated reference benchmark

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.