

Fonds de Compensation de la Sécurité Sociale, SICAV-FIS (the “Fund”)

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

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: FDC SICAV EUR MONEY MARKET – Active 1 (the “Sub-Fund”)

LEI: 5493004JDKD1JAS8T48

Fund manager (by delegation): AXA Investment Managers S.A. (the “Fund Manager”)

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:** ___%

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:** ___%

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

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**



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

The environmental and social characteristics promoted by the Sub-Fund consist of investing in issuers considering the ESG score further described below.

The Sub-Fund promotes environmental and/or social characteristics by investing in securities that have implemented good practices in terms of managing their environmental, governance and social (“ESG”) practices.

The Sub-Fund also promotes 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

In this context, it should be noted that, in implementing its investment strategy and as an overarching binding restriction, the Fund Manager is required to exclude companies from the Sub-Fund's portfolio referenced on the Fund's 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. The Fund's exclusion list can be viewed at <https://fdc.public.lu/en/investissement-responsable/liste-exclusion-fdc.html>.

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

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The attainment of the environmental and social characteristics promoted by the Sub-Fund and described above is measured with the following sustainability indicator: the weighted average ESG Score of the Sub-Fund.

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. The Fund Manager's 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 the Fund Manager's dedicated internal governance body.

● ***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 Sub-Fund does not commit to holding sustainable investments.

● ***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.

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

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 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?

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.



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

Yes. Principal adverse impacts are considered with both i. qualitative and ii. quantitative approaches:

- i. Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies. Exclusion policies as part of the Fund Manager’s ESG standards cover the most material sustainability factors’ risks and are applied bindingly on a continuous basis. Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Sub-Fund will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

On top, the Fund’s propriety exclusion list excludes bonds issued by companies having a severe violation/breach of principles and guidelines such as the Principles of the UN 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, as well as bonds issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons).

Through those exclusions and stewardship policies the Sub-Fund takes into consideration potential negative impact on those specific PAI indicators:

	Relevant Fund Manager	PAI indicators
Climate and other environment related indicators	Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1,2 and 3)
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 2: Carbon Footprint
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
	Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area
Social and employee respect for human rights, anti-corruption and anti-bribery matters	Engagement policy with criteria linked with board gender diversity	PAI 13: Board Gender diversity
	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

- ii. Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. The Fund Manager measures all the mandatory PAI indicators, plus additional optional environmental indicator and additional optional social indicator.



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

What investment strategy does this financial product follow?

The Sub-Fund's Fund Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in the Fund Manager's Sectorial Exclusion and ESG Standards Policies.

The Sub-Fund's general investment approach is described in the Fund's Issue Document.

- ***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 Financial Product bindingly applies at all times the following elements described below.

The Fund Manager bindingly applies at all times a first exclusion filter, encompassing areas such as controversial weapons, climate risks, soft commodities and ecosystem protection and deforestation. The Sub-Fund also apply the Fund Manager’s Environmental, Social and Governance standards policy (“ESG Standards”) integrating the ESG Standards in the investment process by applying specific sectorial exclusions such as tobacco and white phosphorus weapons and by excluding investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises ; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a low ESG quality (which is currently below 1.43 (on a scale of 0 to 10, such number being subject to regular review and adaptation). Instruments issued by countries where serious specific categories of violations of human rights are observed are also banned.

On top, the Fund’s propriety exclusion list excludes bonds issued by companies having a severe violation/breach of principles and guidelines such as the Principles of the UN 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, as well as bonds issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons).

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

The Sub-Fund does not commit to reduce the scope of the investments by a minimum rate prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

The Sub-Fund doesn’t 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. The Fund Manager 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).

In addition, ensuring good governance practices is also addressed by the Fund Manager’s engagement policies. The Fund Manager implemented a comprehensive active ownership strategy where the Fund Manager acts as stewards of investments

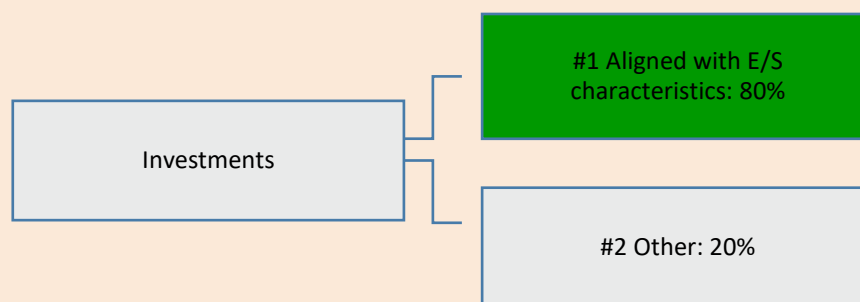
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

made on the clients' behalf. The Fund Manager views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that Fund Manager feels legitimate to engage in a constructive but demanding dialogue with them.



What is the asset allocation planned for this financial product?

The Sub-Fund aims to plan its assets' allocation as presented in the graph below. This planned asset allocation might deviate on a temporary basis. The planned minimum proportion of the investments of the Sub-Fund used to meet the environmental or social characteristics promoted by the Sub-Fund is 80%. The remaining "Other" investments will represent a maximum of 20%.



#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.

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

The Fund Manager does not use derivatives to attain the environmental or social characteristics of the Sub-Fund.



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 Taxonomy¹?

The Sub-Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned 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. Fossil gas criteria include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. Nuclear energy criteria include comprehensive safety and waste management rules. The full criteria are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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.



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 Sub-Fund does not aim or commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

The Sub-Fund does not commit to a minimum share in transitional and enabling activities.



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

The Fund Manager does not commit to a minimum share of environmentally sustainable investments that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

The Sub-Fund does not commit to a minimum share of socially sustainable investments.



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

Under “#2 Other” the Sub-Fund may hold cash, cash equivalents and financial derivative instruments for the purposes of efficient portfolio management and/or risk hedging.

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.



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

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 benchmark has been designated for the purpose of attaining the characteristics promoted by the Sub-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 websites:

- <https://www.fdc.lu>
- <https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>

<i>Schedule of changes:</i>		
<i>V1</i>	<i>October 2023</i>	<i>Initial version</i>
<i>V2</i>	<i>February 2024</i>	<i>Review in terms of form but not content</i>

Fonds de Compensation de la Sécurité Sociale, SICAV-FIS (the “Fund”)

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

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: FDC SICAV GLOBAL BONDS – ACTIVE 2 (the “Sub-Fund”)

LEI: 549300ELGSB8R78E4T58

Fund manager (by delegation): AXA Investment Managers S.A. (the “Fund Manager”)

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:** ___%

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:** ___%

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

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**



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

The environmental and social characteristics promoted by the Sub-Fund consist of investing in issuers considering the ESG score further described below.

The Sub-Fund promotes environmental and/or social characteristics by investing in securities that have implemented good practices in terms of managing their environmental, governance and social (“ESG”) practices.

The Sub-Fund also promotes 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

In this context, it should be noted that, in implementing its investment strategy and as an overarching binding restriction, the Fund Manager is required to exclude companies from the Sub-Fund's portfolio referenced on the Fund's 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. The Fund's exclusion list can be viewed at <https://fdc.public.lu/en/investissement-responsible/liste-exclusion-fdc.html>.

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

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The attainment of the environmental and social characteristics promoted by the Sub-Fund and described above is measured with the following sustainability indicator: the weighted average ESG Score of the Sub-Fund.

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. The Fund Manager's 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 the Fund Manager's dedicated internal governance body.

● ***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 Sub-Fund does not commit to holding sustainable investments.

● ***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.

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

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 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?

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.



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

Yes. Principal adverse impacts are considered with both i. qualitative and ii. quantitative approaches:

- i. Qualitative approach to consider principal adverse impact is based on exclusion and, where relevant, stewardship policies.

Exclusion policies as part of the Fund Manager’s ESG standards cover the most material sustainability factors’ risks and are applied bindingly on a continuous basis. Where relevant, stewardship policies are an additional risk mitigation on principal adverse impacts through direct dialogue with companies on sustainability and governance issues. Through its engagement activities, the Sub-Fund will use its influence as an investor to encourage companies to mitigate environmental and social risks relevant to their sectors.

On top, the Fund’s propriety exclusion list excludes bonds issued by companies having a severe violation/breach of principles and guidelines such as the Principles of the UN 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, as well as bonds issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons).

Through those exclusions and stewardship policies the Sub-Fund takes into consideration potential negative impact on those specific PAI indicators:

	Relevant Fund Manager	PAI indicators
Climate and other environment related indicators	Climate Risk policy	PAI 1: Green House Gas (GHG) emissions (scope 1,2 and 3)
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 2: Carbon Footprint
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 3: GHG intensity of investee companies
	Ecosystem protection & Deforestation policy	
	Climate Risk policy	PAI 4: Exposure to companies active in the fossil fuel sector
	Climate Risk policy (engagement only)	PAI 5: Share of non-renewable energy consumption and production
	Ecosystem protection & Deforestation policy	PAI 7: activities negatively affecting biodiversity sensitive area
Social and employee respect for human rights, anti-corruption and anti-bribery matters	Engagement policy with systematic criteria linked with board gender diversity	PAI 13: Board Gender diversity
	ESG standard policy / violation of international norms and standards	PAI 10: Violation of UN global compact principles & OECD guidelines for Multinational Enterprises
	Controversial weapons policy	PAI 14: Exposure to controversial weapons

- ii. Principal adverse impacts are also considered quantitatively through the PAI indicators' measurement. The objective is to provide transparency to investors on significant negative impact on other sustainability factors. The Fund Manager measures all the mandatory PAI indicators, plus additional optional environmental indicator and additional optional social indicator.



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

What investment strategy does this financial product follow?

The Sub-Fund's Fund Manager selects investments by applying an extra-financial approach based on the exclusion filters as described in the Fund Manager's Sectorial Exclusion and ESG Standards Policies.

The Sub-Fund's general investment approach is described in the Fund's Issue Document.

- ***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 Financial Product bindingly applies at all times the following elements described below.

The Fund Manager bindingly applies at all times a first exclusion filter, encompassing areas such as controversial weapons, climate risks, soft commodities and ecosystem protection and deforestation. The Sub-Fund also apply the Fund Manager's Environmental, Social and Governance standards policy ("ESG Standards") integrating the ESG Standards in the investment process by applying specific sectorial exclusions such as tobacco and white phosphorus weapons and by excluding investments in securities issued by companies in violation of international norms and standards such as the United Nations Global Compact Principles or the OECD guidelines for Multinational Enterprises ; as well as investments in companies which are involved in severe ESG-related incidents and investments in issuers with a low ESG quality (which is currently below 1.43 (on a scale of 0 to 10, such number being subject to regular review and adaptation). Instruments issued by countries where serious specific categories of violations of human rights are observed are also banned.

On top, the Fund's propriety exclusion list excludes bonds issued by companies having a severe violation/breach of principles and guidelines such as the Principles of the UN 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, as well as bonds issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons).

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

The Sub-Fund does not commit to reduce the scope of the investments by a minimum rate prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

The Sub-Fund doesn't 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. The Fund Manager 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

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

for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs).

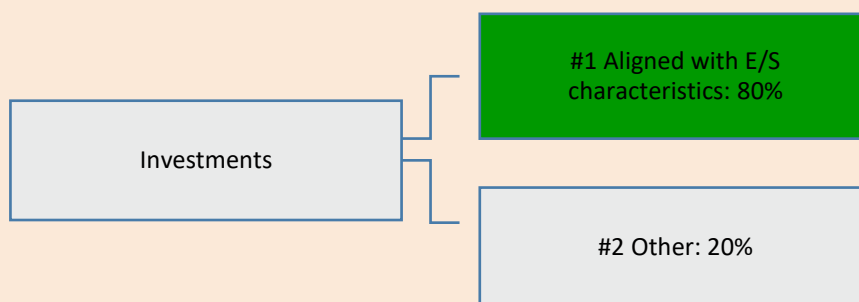
In addition, ensuring good governance practices is also addressed by the Fund Manager's engagement policies. The Fund Manager implemented a comprehensive active ownership strategy where the Fund Manager acts as stewards of investments made on the clients' behalf. The Fund Manager views engagement as a means for investors to influence, shape and shift investee company policies and practices to mitigate risks and secure long-term value. Governance practices of companies are engaged at first level by the portfolio managers and dedicated ESG analysts when meeting companies' management team. It is through the long-term investor status and in-depth knowledge of the investment targets that Fund Manager feels legitimate to engage in a constructive but demanding dialogue with them.



Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The Sub-Fund aims to plan its assets' allocation as presented in the graph below. This planned asset allocation might deviate on a temporary basis. The planned minimum proportion of the investments of the Sub-Fund used to meet the environmental or social characteristics promoted by the Sub-Fund is 80%. The remaining "Other" investments will represent a maximum of 20%.



#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.

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

The Fund Manager does not use derivatives to attain the environmental or social characteristics of the Sub-Fund.

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 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.

 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? Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?

The Sub-Fund does not aim or commit to invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

The Sub-Fund does not aim or commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

The Sub-Fund does not commit to a minimum share in transitional and enabling activities.



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

The Fund Manager does not commit to a minimum share of environmentally sustainable investments that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

The Sub-Fund does not commit to a minimum share of socially sustainable investments.



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

Under “#2 Other” the Sub-Fund may hold cash, cash equivalents and financial derivative instruments for the purposes of efficient portfolio management and/or risk hedging.

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.

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. Fossil gas criteria include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. Nuclear energy criteria include comprehensive safety and waste management rules. The full criteria are laid down in Commission Delegated Regulation (EU) 2022/1214.



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

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 benchmark has been designated for the purpose of attaining the characteristics promoted by the Sub-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 websites:

- <https://www.fdc.lu>
- <https://fdc.public.lu/en/investissement-responsable/approches-durables-gerants-fdc.html>

<i>Schedule of changes:</i>		
<i>V1</i>	<i>October 2023</i>	<i>Initial version</i>
<i>V2</i>	<i>February 2024</i>	<i>Review in terms of form but not content</i>