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 3 (the "Sub-Fund")
LEI: 5493001IV2TY6TVTFJ91
Fund manager: Neuberger Berman Asset Management Ireland Limited (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:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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

As part of the investment process, the Fund Manager considers a variety of environmental and social characteristics, as detailed below. These environmental and social characteristics are considered using a proprietary Neuberger Berman ESG rating system ("**NB ESG Quotient**"). The NB ESG Quotient is built around the concept

of sector specific ESG risk and opportunity, and produces an overall ESG rating for issuers by assessing them against certain ESG metrics.
Foundational to the NB ESG Quotient is the proprietary Neuberger Berman (“**NB**”) materiality matrix, which focuses on the ESG characteristics that are considered to be the most likely to be the material drivers of ESG risk and opportunity for each sector. The NB materiality matrix enables the Fund Manager to derive the NB ESG Quotient rating, to compare sectors and issuers relative to their environmental and social characteristics.

The Fund Manager uses the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Fund Manager will not invest in an issuer with a poor NB ESG Quotient rating unless there is a commitment to engage with the issuer with an expectation that the NB ESG Quotient rating will improve over time.

The following environmental and social characteristics are considered, where relevant to the specific industry and issuer, as part of the NB ESG Quotient rating for corporate issuers:

- **Environmental Characteristics**: biodiversity & responsible land usage; carbon footprint reduction; environmental management; greenhouse gas (“**GHG**”) emissions; opportunities in clean technologies; opportunities in green building; opportunities in renewable energy; responsible raw material sourcing; responsible & transparent underwriting; toxic emissions & waste; waste management and water management.

  The Fund Manager intends to reduce the Sub-Fund’s carbon footprint across scope 1, 2, and material scope 3 GHG emissions, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions.

- **Social Characteristics**: access to finance; access to medicines; affordability & fair pricing; business ethics & transparency of government relations; chemical safety; community relations; controversial sourcing; corporate behaviour; drug safety & side effects management; ethical marketing & practices; health & nutrition; health & safety; human capital development; labour management; data privacy & security; product safety & quality and litigation & related controversy.

The following environmental and social characteristics are promoted as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; GHG emissions; air and household pollution; and unsafe sanitation.

For sovereign issuers, the Fund Manager will target investment in governments which demonstrate a better preparedness and resilience for climate transition risks. This is measured through the Fund Manager's sovereign climate transition risk indicator, which combines data focused on climate risk mitigation, climate adaptation and GHG emissions.

- Social Characteristics: progress towards UN Sustainable Development Goals ("**SDGs**"); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research & development.

  For sovereign issuers, the Fund Manager will target investment in government issuers which show progress towards achieving the SDGs, with a particular focus on improving access to and quality of public health and education.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient.

The NB materiality matrix will evolve over time and all sector specific ESG characteristics included there in are reviewed annually to ensure that the most pertinent sector specific ESG characteristics are captured through the NB materiality matrix. Accordingly, the environmental and social characteristics considered as part of the NB ESG Quotient are subject to change. For the avoidance of doubt, if the environmental or social characteristics considered as part of the NB ESG Quotient change, this pre-contractual disclosure document will be updated accordingly.

Exclusions are also applied (as further set out below) as part of the construction and ongoing monitoring of the Sub-Fund's portfolio. These represent additional environmental and social characteristics promoted by the Sub-Fund. 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 ("**UNGC Principles**"), the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct ("**OECD Guidelines**") and the UN Guiding Principles for Business and Human Rights ("**UNGPs**"). 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/fdc-exclusion-list.html.

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

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?

As part of the investment process, the Fund Manager considers a variety of sustainability indicators to measure the environmental and/or social characteristics promoted by the Sub-Fund. These are listed below:

1. The NB ESG Quotient:

   The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Sub-Fund. Foundational to the NB ESG Quotient is the proprietary NB materiality matrix (as explained above), which focuses on the ESG characteristics that are considered to be the most likely to be the material drivers of ESG risk for each sector. Each sector criteria is constructed using third party and internally derived ESG data and supplemented with internal qualitative analysis, leveraging the Fund Manager's analyst team's significant sector expertise.

   The NB ESG Quotient assigns weightings to environmental, social and governance characteristics for each sector to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Sub-Fund's portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, are more likely to be removed from the investment universe or divested from the Sub-Fund's portfolio. In addition, constructive engagements are undertaken with issuers that have a poor NB ESG Quotient rating, in order to assess whether concerns are being addressed adequately. The success of the Fund Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

2. Climate Value-at-Risk:

   ClimateValue-at-Risk ("**CVaR**") measures the exposure to transition and physical climate risks for corporate issuers. CVaR is a scenario analysis tool evaluating economic risks under various degree scenarios (i.e., the amount of warming targeted) and potential regulatory environments in varying countries. On a holistic basis the results are evaluated by the Fund Manager's portfolio managers and analysts. CVaR provides a framework for identifying climate-risk over the long-term to assist in understanding how corporate issuers can shift their operations and risk practices over time. The scenario analysis can serve as a starting point for further bottom-up analysis and identifying potential climate-related risks to address through issuer engagement. Due to data limitations, CVaR is not applied across all issuers held by the Sub-Fund and is instead limited to the corporate issuers for which the Fund Manager has sufficient and reliable data. The analysis from CVaR is reviewed at least once a year.

3. ESG exclusion policies:

   To ensure that the environmental or social characteristics promoted by the Sub-Fund can be attained, the Fund Manager will implement the Sub-Fund's proprietary exclusion list (as outlined above).

   Additionally, the Sub-Fund will not invest in sovereign issuers which the Fund Manager identifies as having weak ESG practices, and such issuers will be excluded from the Sub-Fund using the Fund Manager's NB ESG Quotient (which includes a sovereign screening tool).

   Such exclusions will be based on a number of ESG criteria including the following:

   - Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near-term improvement prospects;
   - Sovereign issuers which are ranked in the bottom quartile and deteriorating based on the proprietary human rights indicator of the Fund Manager or where top officials have been sanctioned by the UN Security Council based on human rights violations; Sovereign issuers which are assessed as having high and increasing GHG intensity levels; Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes; or
   - Sovereign issuers that are classified as a high-risk jurisdiction subject to a call for action by the Financial Action Task Force ("**FATF**").

   In addition, the Sub-Fund will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Fund Manager's Controversial Weapons Policy, the Fund Manager's Thermal Coal Involvement Policy, and the Fund Manager's Sustainable Exclusion Policy.

   Furthermore, investments held by the Sub-Fund will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the International Labour Standards ("**ILO Standards**"). The Full policies can be accessed through the link under the 'More product-specific information can be found on the website' section of this disclosure.

The Fund Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; (ii) the CVaR; and (iii) the adherence to the ESG exclusion lists applied to the Sub-Fund. These sustainability indicators will be used to measure the attainment of each of the environmental and social characteristics promoted by the Sub-Fund.

- ***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.

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?

The Sub-Fund does not commit to holding sustainable investments, however the Fund Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, UN GC Principles, ILO Standards and UNGPs, captured through the Neuberger Berman Global Standards Policy as detailed above.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific 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. The Fund Manager will consider the following principal adverse impacts, namely: GHG intensity and investee countries subject to social violations ("**Sovereign PAIs**") for the sovereign issuers; and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UN GC & OECD violations and controversial weapons for the corporate issuers (together the "**Product Level PAIs**").

The Fund Manager utilises third party data and proxy data along with internal research to consider the above Product Level PAIs.

Additionally, the Fund Manager has conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Fund Manager will continue to work with issuers to encourage disclosure and to gather wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Fund Managers subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Fund Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Fund Manager will be through a combination of:

- Monitoring the Sub-Fund's portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Fund Manager.
- Setting engagement objectives where theSub-Fund's portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI.
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

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 investment objective of the Sub-Fund is to seek to achieve an attractive level of total return (income plus capital appreciation) from global fixed income markets. The Sub-Fund will invest primarily in investment grade debt securities issued by governments and agencies from OECD countries, and investment grade debt securities issued by corporations, which have their head office or exercise an overriding part of their economic activity in OECD countries.

The Fund Manager considers and evaluates ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Fund Manager utilises the NB ESG Quotient criteria as part of the Sub-Fund's portfolio construction and investment management process. As noted above, NB ESG Quotient assigns weightings to environmental, social and governance characteristics for each sector to derive the NB ESG Quotient rating. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Sub-Fund's portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Sub-Fund's portfolio.

The ESG analysis is performed internally, with the support of third-party data, and is not outsourced.

In addition, credit worthiness is complemented by fundamental analysis aimed at assessing the issuer's financial performance such as revenue/earnings before interest, tax, depreciation, and amortisation ("**EBITDA**") growth, cash flow growth, capital expenditures, leverage trends and liquidity profile.

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?***

  ESG characteristics are considered at three different levels:

  1. Integrating proprietary ESG analysis:

     The NB ESG Quotient ratings are generated for issuers in the Sub-Fund's portfolio.The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

     The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Fund Manager as an important component of the investment process for the Sub-Fund.

     By integrating the investment team's proprietary ESG analysis (the NB ESG Quotient) into their internal credit ratings, there is a direct link between their analysis of material ESG characteristics and portfolio construction activities across their strategy.

     Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Sub-Fund's portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Sub-Fund.

  2. Engagement:

     The Fund Manager engages directly with management teams of issuers through a robust ESG engagement program.

     The Fund Manager engages with sovereign issuers in developed and emerging market countries. As part of its sovereign engagement, the Fund Manager's portfolio managers and analysts speak regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with on site visits whenever possible, and utilises such meetings to engage with sovereign issuers on ESG topics, where the Fund Manager sees scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to Sustainable Development Goals ("**SDGs**") under the UN Global Compact, and the UNGP. In addition, the Fund Manager monitors and engages with countries on reducing GHG emissions based on the Climate Watch Net-Zero Tracker managed by World Resources Institute. Sovereign engagement may also be carried out with jurisdictions under increased monitoring, who are actively working with the FATF to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Fund Manager's engagement tracker.

The Fund Manager views this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers that are not receptive to engagement are less likely to be held (or to continue to be held) by the Sub-Fund.

This program is focused on in-person meetings and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Fund Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and centrally in the Fund Manager's engagement tracker.

In addition, constructive engagements are undertaken with issuers which have high impact controversies controversies (such as corporate issuers placed on the Fund Manager's Global Standards Policy's Watch List), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Fund Manager deems as weak ESG efforts, are being addressed adequately.

The Fund Manager firmly believes this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Fund Manager also uses it to promote change, when necessary, which they believe will result in positive outcomes for creditors and broader stakeholders. Direct engagement when paired with other inputs, creates a feedback loop that allows analysts in the investment team to evolve their ESG scoring process and prioritise risks that are most relevant to a sector.

3. ESG sectoral exclusion policies:

   To ensure that the environmental and social characteristics promoted by the Sub-Fund can be attained, the Sub-Fund will apply the ESG exclusion policies referenced above, which places limitations on the investable universe.

- ***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.

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

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

Governance factors that the Fund Manager tracks may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory/legal track record.

Engagement with management is an important component of the Sub-Fund's investment process, and the Fund Manager engages directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings and conference calls to understand risks, opportunities and assess good corporate governance practices of investee issuers. The Fund Manager views this direct engagement with issuers, as an important part of its investment process.

While the prioritisation assessment is ongoing, the timing of the engagement may be reactionary in certain cases, opportunistic in cases of industry events or pre-planned meetings, or proactive where time allows and without undue restrictions such as during quiet periods or merger and acquisition events that may prevent outreach actions. Ultimately, the Fund Manager aims to prioritise engagement that is expected, based on the Fund Manager's subjective analysis, to have a high impact on the protection of and improvement to the value of the Sub-Fund's portfolio, be it through the advancement of actionable disclosure, understanding of risks and risk management at an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

The Fund Manager may take into account other governance factors as appropriate from time to time.

As described above, the Sub-Fund will only invest in securities issued by issuers whose activities do not breach the Fund Manager's Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs, and (iv) ILO Standards.

Asset allocation describes the share of investments in specific assets.

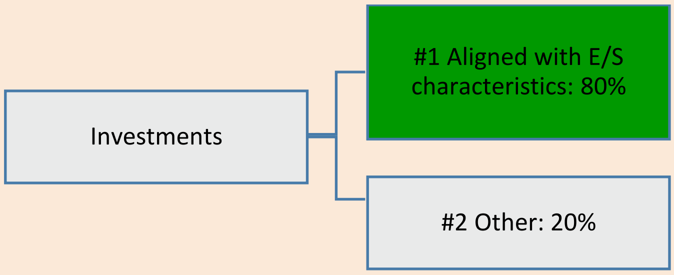
What is the asset allocation planned for this financial product?

The Sub-Fund aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund does not commit to holdings ustainable investments. The Sub-Fund aims to hold a maximum of 20% investments that are notaligned with the environmental or social characteristics promoted by the Sub-Fund and are not sustainable investments, and which fall into the "Other" section of the Sub-Fund's portfolio. The "Other"section in the Sub-Fund's portfolio is held for a number of reasons that the Fund Manager feels will be beneficial to the Sub-Fund, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover. The "Other" section may also include investments or asset classes for which the Fund Manager does not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Sub-Fund. Further details on the "Other" section are set out below.

Please note that while the Fund Manager aims to achieve the asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The Manager has calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Sub-Fund's portfolio: i) that hold either an NB ESG Quotient rating or a third party equivalent ESG rating that is used as part of the portfolio construction and investment management process of the portfolio; and/or ii) with whom the Manager has engaged directly. The calculation is based on a mark-to-market assessment of the Sub-Fund's portfolio and may rely on incomplete or inaccurate issuer or third party data.

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



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- ***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 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.

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[1]?

The analysis and disclosure requirements introduced by the Taxonomy Regulation are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Sub-Fund makes. The Manager is not committing that the Sub-Fund will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation and in investments in fossil gas and/or nuclear energy related activities that comply with the Taxonomy Regulation. As such, the minimum proportion of the Sub-Fund's investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation will be 0%. It cannot be excluded that some of the Sub-Fund's portfolio's holdings qualify as Taxonomy-aligned 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.

Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers.

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 Fund Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

- ***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. For those investments no environmental or social safeguards are applied.

As noted above, the Sub-Fund will be invested in compliance with ESG exclusion policies, on a continuous basis. This ensures that investments made by the Sub-Fund seek to align with international environmental and social safeguards such as the UN GC Principles, UNGPs, OECD Guidelines and ILO Standards.

The Manager believes that these policies prevent investment in issuers that most egregiously violate environmental and/or social minimum standards and ensures that the Sub-Fund can successfully promote its environmental and social characteristics.

The above steps ensure that robust environmental and social safeguards are in place.

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 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

More information about the Fund Manager can be found on websites:

- https://www.nb.com
- https://www.nb.com/en/global/esg/reporting-policies-and-disclosures
- https://www.nb.com/en/global/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A