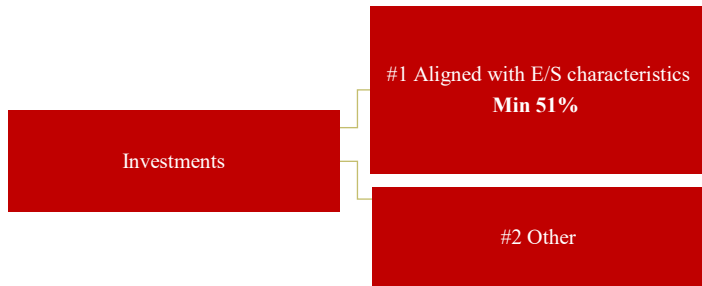


LUX IM – ALLOCATION FLEX (“Sub-Fund”)

Sustainability-related disclosures required for Article 8 financial products under the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Section	Disclosure
No sustainable investment objective	The Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.
Environmental or social characteristics of the financial product	<p>The Sub-fund invests in other UCITS and/or UCI, including exchange traded funds (“ETFs”) and other index funds (together “Target Funds”) that contribute to the Sub-fund’s promoted environmental and social characteristics, and thus adhere to binding ESG criteria.</p> <p>The Target Funds ensure the integration of binding ESG criteria (such as but not limited to the environmental policy adopted by the target issuers; the environmental impact of the products or services offered; the resource efficiency; human rights; human capital development; community engagement; corporate governance structure; shareholders relations; business ethics etc.).</p>
Investment strategy	<p>The objective of the Sub-fund is to provide capital appreciation, through a flexible asset allocation driven by an ongoing opportunistic adjustment of the overall equity exposure through the use of financial derivative instruments (“FDIs”).</p> <p>The Sub-fund will invest directly or indirectly, through other UCITS and/or UCIs including exchange traded funds (“ETFs”), in equity securities and debt securities issued by governments, government agencies, supranational issuers and corporations without any limitation in terms of currency, industry, market capitalisation and geographic allocation – overall exposure to emerging markets will not exceed 30% of the Sub-fund’s net assets. The investments in UCITS and/or UCIs, including ETFs with investment policy characterised by an equity, fixed income and/or flexible allocation will represent at any time at least 51% of the Sub-fund’s net assets. The target funds’ selection is based on the investment manager’s assessment of and due diligence performed on the investment process applied therein with the aim to ensure the integration of binding ESG criteria on an ongoing basis.</p> <p>The Sub-fund may also invest directly on an accessory basis in fixed income securities and fully paid equities issued by companies listed on major markets.</p> <p>The Investment Manager integrates the ESG analysis within the following investment’ selection processes related to the Target Funds selection:</p> <ul style="list-style-type: none"> ▪ Negative screening ▪ Positive screening <p>Good governance practices are assessed for each Target Fund during the investment due diligence as well as when the target investments will be held by the Sub-fund with respect to the good governance practices considered by investment process of the Target Funds and adopted by the direct investments’ issuers, including, inter alia, the corporate governance structure; shareholders rights; accounting standards; business ethics; remuneration policies; tax compliance; employee relations.</p>
Proportion of investments	<p>The Sub-fund is expected to dedicate a minimum of 51% of its net assets to investments that are aligned to the promoted environmental and social characteristics, being Target Funds qualified under Article 8 or 9 of SFDR.</p> <p>The remaining investments of the Sub-fund (“#2 Other”) may be invested in: (i) ancillary cash for liquidity management within the limits prescribed by applicable laws; (ii) accessory investments in financial derivative instruments used for hedging and/or investment purposes as per the applicable provisions of the Investment Policy of the Sub-fund; (iii) investments in Target Funds (and directly in target issuers as accessory investment only) which are not aligned with the promoted environmental or social characteristics and may be used within the Sub-fund’s investment objective of long term capital growth. No specific minimum environmental or social safeguards are applied for investments in cash; financial derivatives and Target Funds are not aligned with the pursued ESG characteristics. A negative screening is applied to accessory direct investments in target issuers, avoiding that investments are made in issuers involved in controversial behaviours and/or controversial activities.</p>  <pre> graph LR A[Investments] --- B["#1 Aligned with E/S characteristics Min 51%"] A --- C["#2 Other"] </pre>
Monitoring of environmental or social characteristics	<p>The Investment Manager integrates the ESG analysis within the following investments’ selection processes related to the Target Funds selection:</p> <ul style="list-style-type: none"> ▪ Negative screening (application of binding minimum exclusion criteria by the Art.8 and Art. 9 Target Funds) ▪ Positive screening (minimum proportion of Target Funds qualified as Art.8 or Art.9)

Section	Disclosure
Methodologies for environmental or social characteristics	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target investments is assessed based on the negative screening and positive screening procedures.</p> <p>Internal controls are in place in respect of investment decision making for the Sub-fund. These include, but are not limited to, pre-trade and post-trade controls to ensure all applicable binding elements are observed at all times and independent oversight by risk management functions as required.</p>
Data sources and processing	<p>The data sources used by the Investment Manager refer essentially to the official pre-contractual documentation of the Target Funds and to the information provided within the assessment of the investment process applied therein, which enable to assess their qualification under Article 8 or Article 9 of SFDR and binding minimum exclusion criteria. Data quality is ensured at all times, and is no subject to estimation.</p>
Limitations to methodologies and data	<p>The limitations to the attainment of the promoted environmental and social characteristics, are deemed non-material, as the investment universe of the Sub-fund provides an appropriate level of disclosure and coverage of required information by the Investment Manager to allow for the application of the investment methodology.</p>
Due Diligence	<p>In order to qualify for initial investment, the target investments must comply with the binding elements applied by the Sub-fund. This compliance has to be ensured by the Investment Manager through pre-trade compliance mechanism in place</p>
Engagement Policies	<p>This section is not applicable, as the Sub-fund is not deploying an ESG engagement strategy for the attainment of the promoted environmental or social characteristics.</p>
Designated reference benchmark	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>