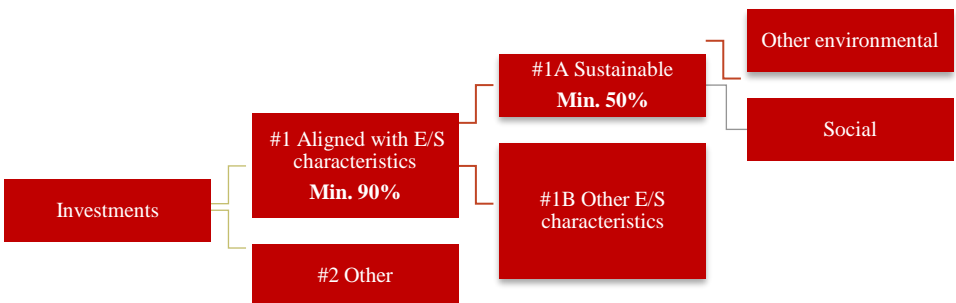


LUX IM – ESG SYCOMORE CORPORATE BOND (“Sub-fund”)

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	<p>The Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.</p> <p>The Sub-fund will allocate a minimum of 50% of its assets in sustainable investments in accordance with Article 2 (17) SFDR.</p> <p>The Sub-fund will partially make sustainable investments with a social objective, based on at least one of the following criteria as measured by proprietary metrics:</p> <ul style="list-style-type: none"> On the societal side: investments with a Societal Contribution of products and services above or equal to +30%. Companies associated with a Societal Contribution above or equal to the selected threshold make a significant contribution to one or several of SDGs or the SDG's targets. On the human capital side: <ul style="list-style-type: none"> Investments with a Good Jobs Rating above or equal to 55/100 Investments with a Happy@Work Environment rating above or equal to 4.5/5. <p>Companies associated with a Good Jobs Rating or a Happy@Work Environment rating above or equal to the selected thresholds therefore make a significant contribution to SDG 8.</p> <p>The Sub-fund will partially make sustainable investments with an environmental objective, based on the following criterion based on a proprietary metric: investments with a Net Environmental Contribution (NEC) above or equal to +10%. Companies associated with a NEC above or equal to the selected threshold therefore make a significant contribution to the ecological transition and the climate change mitigation objectives</p>
Environmental or social characteristics of the financial product	<p>The Sub-fund intends to invest in underlying debt investments through a socially responsible investment process, by selecting companies particularly on environmental and/or contribution to employment criteria.</p>
Investment strategy	<p>The Sub-fund aims to provide capital appreciation over the medium to long-term by investing in a diversified portfolio of debt securities with a focus on Euro denominated corporate bonds. The asset allocation process relies on a comprehensive credit analysis of the target issuers based on the assessment of the financial fundamentals. The Sub-fund will seek to achieve its investment objective essentially through the investment in fixed income securities and Money Markets Instruments denominated in Euro and issued by corporates (including convertible bonds up to 10% of its net assets). Debt securities issued by Governments, sovereign/supranational entities will not represent more than 20% of the Sub-fund's net assets. Exposure to emerging markets debt securities will not exceed 25% of the Sub-fund's net assets. Investments in debt securities with rating below the investment grade (i.e. between BB+ and CCC+ as rated by Standard & Poor's or equivalent rating range from another recognised agency) will not represent more than 50% of the Sub-fund's net assets. Investments in unrated debt securities may represent up to 30% of its net assets. Investments in distressed or default debt securities are not authorised.</p> <p>The Investment Manager integrates the ESG analysis within the investments' selection process, as follows: ESG (Environment, Social and Governance) analysis, being simultaneously and fully integrated into the investment process, is conducted through the Investment Manager (Sycomore Asset Management)'s proprietary “SPICE” methodology. This methodology leads to a SPICE rating from 1 to 5 (5 being the highest rate). This methodology leads to a SPICE rating from 1 to 5 (5 being the highest rate).</p> <p>In addition, the investment universe of the Sub-fund is built according to specific criteria into the overall SPICE methodology. Sycomore AM SPICE methodology also aims at assessing companies' contributions to the United Nations Sustainable Development Goals (SDGs). Target investments are subject to the following sustainability indicators, in order to assess their eligibility for investment by the Sub-fund and thus to measure the attainment of the pursued environmental and social characteristics:</p> <ul style="list-style-type: none"> A filter of exclusion: exclusion of target issuers involved in controversial conduct and/or activities; A filter of selection: investment in companies that contribute to the environmental and social objectives pursued by the Sub-fund. Consideration of principal adverse impacts (PAI) <p>Governance is part of the SPICE analysis, including a dedicated governance section within the “I” section involving a significant focus on management structures, and governance items embedded into the other parts of the analysis framework.</p>
Proportion of investments	<p>The Sub-Fund will invest at least 90% of its net assets in investments that are aligned to the promoted environmental and/or social characteristics. (# 1). The minimum proportion of sustainable investments is 50% (#1A) of which a minimum of 0% have an environmental objective (which is aligned with the EU Taxonomy), a minimum of 1% have an environmental objective (which is not aligned with the EU Taxonomy) and a minimum of 1% have a social objective.</p> <p>To classify as sustainable investments, target issuers meet minimum thresholds on the below proprietary metrics:</p> <p><u>Sustainable investments with a social objective:</u> based on at least one of the following criteria:</p> <ul style="list-style-type: none"> On the societal side: Societal Contribution of products and services above or equal to +30%.

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	<ul style="list-style-type: none"> On the human capital side: <ul style="list-style-type: none"> Good Jobs Rating above or equal to 55/100 Happy@Work Environment rating above or equal to 4.5/5. <p><u>Sustainable investments with an environmental objective</u>: NEC above or equal to +10% A target issuer that passes such minimum thresholds is considered as sustainable in its entirety.</p> <p>The remaining investments of the Sub-fund (“#2 Other”) may include (i) ancillary cash and cash equivalents for liquidity purposes within the limits prescribed by applicable laws , (ii) derivatives which may be used for hedging and investment purposes as per the applicable provisions of the Investment Policy of the Sub-fund. No minimum safeguards are applied to such investments.</p>  <pre> graph LR Investments --> A["#1 Aligned with E/S characteristics Min. 90%"] Investments --> B["#2 Other"] A --> C["#1A Sustainable Min. 50%"] A --> D["#1B Other E/S characteristics"] C --> E["Other environmental"] C --> F["Social"] </pre>
Monitoring of environmental or social characteristics	<p>The Investment Manager integrates the ESG analysis within the following investments selection processes:</p> <ul style="list-style-type: none"> A filter of exclusion: exclusion of target issuers involved in controversial conduct and/or activities; A filter of selection: investment in companies that contribute to the environmental and social objectives pursued by the Sub-fund. <p>The following binding elements are used to select investments to attain the characteristics promoted:</p> <p>For corporate issuers:</p> <ul style="list-style-type: none"> A filter of selection: based on minimum threshold on proprietary metrics of the SPICE methodology (Environmental; Happy@Work; Reputation risk & Responsible marketing; Communication & Accountable risk; Bondholder risk) A filter of exclusion: based on the SRI exclusion policy adopted by Sycomore and/or a level 3/3 controversy or on the SPICE rating below 2/5. <p>For sovereign issuers:</p> <ul style="list-style-type: none"> A filter of selection: based on the Sycomore country rating above 2/5; <p>At Sub-fund level, the Investment Manager aims at having a better result compared to the Sub-fund’s investment universe on the Net Environmental Contribution and the headcount growth indicator over 3 years.</p>
Methodologies for environmental or social characteristics	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target issuers is assessed based on a filter of exclusion, a filter of selection and consideration of principal adverse impacts.</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 to attain the stated environmental and social characteristics is obtained from internal research activity complemented with external research and data from specialised external providers or directly provided by the issuers. All data is aggregated in in-house ESG scoring methodology “SPICE”.</p>
Limitations to methodologies and data	<p>The limitations to the attainment of the promoted environmental and social characteristics are deemed non-material for the attainment of the environmental or social characteristics promoted by the Sub-fund</p>
Due Diligence	<p>In order to qualify for initial investment, the 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>The Investment Manager operates engagement policies that are about encouraging companies to improve their sustainability practices over the long term by suggesting areas for improvement as part of a constructive dialogue and long-term monitoring process</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>