

SFDR SCHEDULE

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: UBAM - POSITIVE IMPACT EQUITY
Legal entity identifier: O00000869_00000122

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ Yes

☐ No

- ☒ It will make a minimum of **sustainable investments with an environmental objective: 20%**
 - ☒ 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 **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 will make a minimum of **sustainable investments with a social objective: 20%**

- ☐ It promotes E/S characteristics, but **will not make any sustainable investments**



What is the sustainable investment objective of this financial product?

This Sub-Fund addresses the UN's Sustainable Development Goals through six themes, three environmental (healthy ecosystems, climate stability, sustainable communities) and three societal (basic needs, health & wellbeing, inclusive & fair economies). The primary sustainable objective is to invest in companies which have products, services and/or processes which contribute to the solution of environmental and/or social problems as defined by the United Nations Sustainable Development Goals, including, but not limited to climate change mitigation, promotion of circular economy solutions, affordable healthcare and education, and the protection and restoration of biodiversity.

The benchmark is a standard reference representing the Sub-Fund's universe but is not aligned with the sustainable objective of this Sub-Fund.

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.

● ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

1. The intensity of impact (IMAP) is measured through The Investment Manager's proprietary scoring system, with a minimum scoring requirement for inclusion in this Sub-Fund.

2. other sustainability indicators:

- weighted average carbon intensity of this Sub-Fund,
- % of companies in breach or under watch for breaches of the UN Global Compact,
- % of companies with sustainability linkage to pay
- % of companies that measure employee satisfaction
- weighted average R&D spend as a % of revenues

Each indicator is disclosed (vs. benchmark data, where possible) and monitored over time. The Investment Manager intend to beat the benchmark over the long term.

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

To ensure sustainable investments that this Sub-Fund intends to make do not cause significant harm, the Investment Manager assesses whether these companies do not harm through an internally-designed methodology which includes but is not limited to:

- principal adverse impact indicators review (taking into account that the data availability is limited for certain indicators and does not allow us to reach a conclusion),
- controversies monitoring,
- overall ESG/governance quality assessments,
- an exclusion list,
- materiality estimates in the IMAP score: the scoring of materiality (the share of a business represented by positive-impact business line) is a net score which also reflects any business lines with a neutral or even negative impact.

↳ *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The principal adverse impacts on sustainability factors are considered at different stages of the investment process:

- through the exclusion list (e.g. Exposure to companies active in the fossil fuel sector, Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises),
- in the context of the Investment Manager Investment Committee, the Investment Manager review all of the indicators available for the stocks in the portfolio (taking into account the fact that availability may still be low in some areas)
- in the Investment Manager's engagement with companies, both of individual and collective nature (including, but not limited to, GHG emissions, Activities negatively affecting biodiversity sensitive areas, Investing in companies without carbon emission reduction initiatives, Board gender diversity etc.)

↳ *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

This Sub-Fund does not invest in companies flagged as being in breach with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights according to the respective analyses of external providers. If the stock is not covered by any external providers, the Investment Manager will conduct its own research to reach a conclusion.



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

☒ Yes

☐ No

The Investment Manager use a combination of exclusions, net materiality estimates (i.e. the percentage of sales that are judged by the Investment Manager to be aligned with the UNSDGs in the context of the IMAP score calculations), and engagement with companies through the Investment Manager Impact Engagement Framework. The information on PAI will be available in the annual report of this Sub-Fund.

For instance, these are the indicators monitored in table 1 of Appendix I:

- 1 GHG emissions: monitor, engage and aim for long-term reduction
2. Carbon footprint: monitor, engage and aim for long-term reduction
3. GHG intensity of investee companies: monitor, engage and aim for long-term reduction
4. Exposure to companies active in the fossil fuel sector: minimize through exclusions
7. Biodiversity: monitor and engage with companies having an exposure to sensitive areas
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinationals: minimize through exclusions
13. Board gender diversity: monitor, engage and aim for long-term increase in diversity
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons): minimize through exclusions

And from table 2:

4. Investments in companies without carbon emission reduction initiatives: minimize through engagement



What investment strategy does this financial product follow?

This Sub-Fund build a concentrated equity portfolio of companies estimated to have a positive impact on the 6 themes described above and a minimum IMAP score of 12 out of 20.

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

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

IMAP Scoring System - measuring the impact intensity. Each company is analysed against four measures (scored out of maximum 5), the sum of which determines a unique Impact Score: Intentionality, Materiality, Additionality and Potential. A score of 12 is considered to be a minimum threshold for acceptance into the Sub-Fund's portfolio. Furthermore, the Investment Manager performs a negative screening based on the Sub-Fund exclusion list: Companies which are directly involved in the production of conventional, nuclear and controversial weapons are excluded, as well as companies which are directly involved in tobacco production, gambling, adult entertainment and thermal coal extraction. In addition, there are exclusions, with revenue thresholds applied, for those companies directly involved in Tobacco distribution. Conventional oil and gas extraction and Electricity utilities generating power from nuclear, oil and gas or coal are also subject to exclusion if they don't set ambitious SBTIs for emissions, or meet stated business criteria thresholds on capital expenditure and revenue exposure. Unconventional oil & gas extraction is subject to the same criteria, with the additional commitment of no increase in production or capex in absolute terms. Furthermore, this Sub-Fund excludes all companies in breach of international norms, such as the UN Global compact.

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?**

The Governance element is monitored by the Investment Manager through its own analysis of resolutions proposed to shareholders, its engagement with portfolio companies on any governance issue raised by external ESG data providers, and the analysis of governance-related controversies.

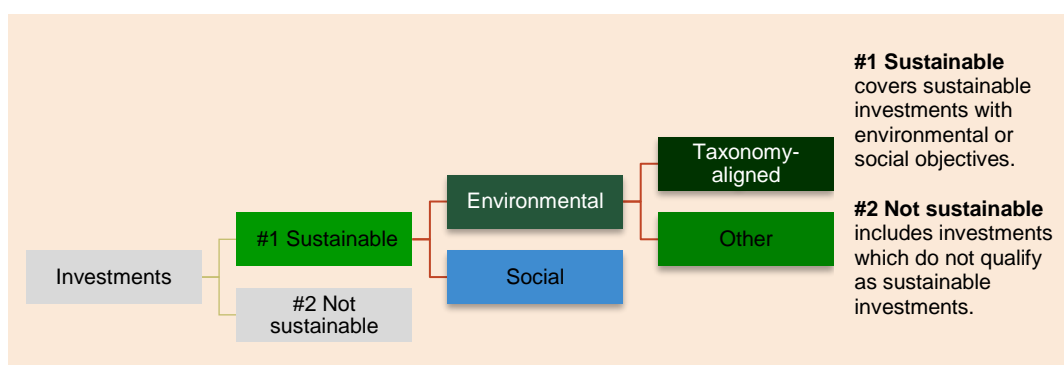


Asset allocation describes the share of investments in specific assets.

What is the asset allocation and the minimum share of sustainable investments?

This Sub-Fund will be primarily invested in sustainable investments, with a minimum of 80%. These sustainable investments will include at all times a mix of environmentally sustainable investments, including a minimum of 1% Taxonomy-aligned investments, and socially sustainable investments.

On an ancillary basis, this Sub-Fund may include other non-sustainable investments, up to 20%, cash and derivatives used for share class hedging.



- **How does the use of derivatives attain the sustainable investment objective?**

N/A

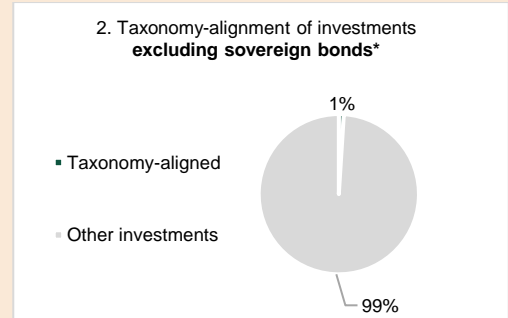
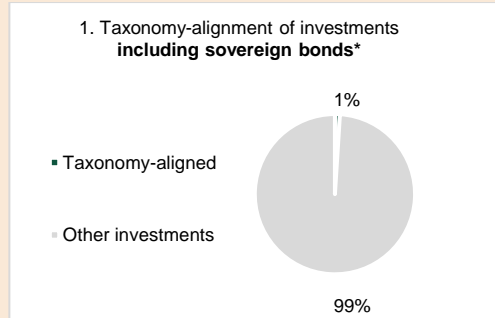


To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

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.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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.

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

This Sub-Fund commits to have a minimum share of 1% in taxonomy-aligned investments. The minimum share of investments in transitional and enabling activities respectively will be dependent on investment opportunities over time. Therefore, each of these activities may individually hold a minimum share in taxonomy-aligned investments ranging from 0% up to 1% and, jointly and in aggregate, hold a minimum of 1% at all times.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



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

This Sub-Fund will maintain a minimum allocation of 80% in sustainable investments with social and environmental objectives, but the share of investments with an environmental objective within the sustainable investment allocation will depend on market conditions and investment opportunities identified by the Investment Manager.

The minimum environmental commitment is for both sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and those that are aligned. As the Investment Manager has limited data from the Sub-Fund's portfolio company about their level of alignment with the taxonomy, the Investment Manager doesn't consider them as aligned with the taxonomy, even though the Investment Manager expects some of them to be aligned with the EU Taxonomy once the information is disclosed by companies and all of the taxonomy is made public.



What is the minimum share of sustainable investments with a social objective?

This Sub-Fund will maintain a minimum allocation of 80% in sustainable investments with social and environmental objectives, but the share of investments with a social objective within the sustainable investment allocation will depend on market conditions and investment opportunities identified by the Investment Manager.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

On an ancillary basis, this Sub-Fund may include non-sustainable investments, up to 20%, cash and derivatives used for share class hedging. These are not expected to have any impact on the sustainability objective of this Sub-Fund.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No

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

- *How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?*

N/A

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

N/A

- *How does the designated index differ from a relevant broad market index?*

N/A

- *Where can the methodology used for the calculation of the designated index be found?*

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.ubp.com/en/investment-expertise/responsible-investment>.