

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.

Template periodic 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: 000000869_00000122

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ ☒ ☒ Yes

☐ ☐ ☐ No

☒ It made **sustainable investments with an environmental objective: 44.7%**

☒ 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 **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a 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 made **sustainable investments with a social objective: 52.8%**

☐ It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent was the sustainable investment objective of this financial product met?

This financial product has the following sustainable objectives: Climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

Not subject to an assurance provided by one or more auditors/third parties.

The sustainable investments contributed to the sustainable investment objectives as:

- This Sub-Fund is committed to hold a minimum of 80% in sustainable investments. At the end of Dec, the Sub-Fund held 97.5% in sustainable investments, of which 3.9% in reported taxonomy aligned investments. These sustainable investments include at all times a mix of environmentally sustainable investments, including, but not limited to,

the objectives mentioned in the previous paragraph, and socially sustainable investments.

THE UN GOAL	THE UBP THEME	% FUND
   	BASIC NEEDS	14.7%
 	HEALTH & WELL-BEING	21.0%
  	INCLUSIVE & FAIR ECONOMIES	17.1%
 	HEALTHY ECOSYSTEMS	11.1%
 	CLIMATE STABILITY	16.9%
 	SUSTAINABLE COMMUNITIES	16.6%

The Investment Manager has engaged with companies, both directly and collaboratively, on a variety of issues including, but not limited to, their GHG emissions and climate strategy or their biodiversity-related practices. Engagement examples are provided in UBP's annual impact report.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

● **How did the sustainability indicators perform?**

Sustainability indicator	Sub-Fund	Index*
IMAP** Score	15.4	-
Weighted Average Carbon Intensity*** (tCO2e/\$ mi. invested)	115.3	115.7
Share of companies in breach of the UN Global Compact	0.0%	0.0%
Companies linking pay to sustainability	73.8%	67.6%
Companies measuring employee satisfaction	74.4%	75.4%

Past performance is not a guide for current or future returns.

Source: UBP, MSCI ESG Research, as of 30 December 2022

*Index: MSCI Europe NR

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

***The WACI is defined as the market-weighted average of total carbon emissions in tons of CO2 divided by total revenues. It should be noted that only Scope 1 and 2 emissions are taken into account, as Scope 3 data is additive across companies and may result in double counting.

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

● **And compared to previous periods?**

N/A

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

To ensure that the sustainable investments made by this Sub-Fund during the reporting period did not significantly harm any other sustainable investment objectives, the Investment Manager applied its in-house methodology that covers Principal Adverse Impacts, controversies, misalignment with SDGs and ESG/governance quality checks. Based on our in-house methodology, we consider that investments in the fund do no harm. For this, we tested mandatory PAIs either directly, where data was available, or indirectly through the consideration of Controversies (social, environmental, governance, labour compliance), SDG alignment (environmental activities strongly misaligned with environmental SDGs and social activities strongly misaligned with social SDGs are not deemed sustainable), overall ESG and governance quality as well as the exclusion of some harmful sectors).

● ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Investment Manager sought to limit the principal adverse impacts from Table 1 Annex 1 on the sustainable investments primarily through the investment research, the application of an exclusion list and the norms-based screening.

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

- through the exclusion list
- in the context of its Investment Committee, the Investment Manager reviews all of the indicators available for the stocks in the portfolio
- 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.)

● ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

This Sub-Fund did 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 analyses of external providers.



How did this financial product consider principal adverse impacts on sustainability factors?

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.

Indicator	Metrics	Value	Covered assets	Eligible Assets	Planned actions
PAI 1	Greenhouse gas emissions (tCO2eq)- scope 1	8233.4	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 1	Greenhouse gas emissions (tCO2eq)- scope 2	3159.0	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 1	Greenhouse gas emissions (tCO2eq)- Scope 1+2	11392.45	96.8%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 2	Carbon footprint (tCO2eq/EURm invested)- Scope 1+2	59.9	96.7%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 3	GHG intensity of investee companies (tCO2eq/EURm revenue)- Scope 1+2	101.9	96.3%	97.5%	Monitor overall portfolio footprint and engage with individual holdings.
PAI 4	Share of investment in companies active in fossil fuel sector (%)	9.8	96.3%	97.5%	Continue to avoid exposure.
PAI 7	Share of investments with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas (%)	0.0	97.5%	97.5%	Continue to avoid exposure and engage with holdings on biodiversity policy.
PAI 10	Share of investments that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.0	97.5%	97.5%	Continue to avoid exposure.
PAI 13	Average ratio of female board members	38.1	97.5%	97.5%	Continue to monitor and engage with holdings.
PAI 14	Share of investments involved in the manufacture or selling of controversial weapons	0.0	97.5%	97.5%	Continue to avoid exposure.

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	Country	% Assets
ASTRAZENECA PLC	Health Care	UK	5.66
UPM-KYMMENE CORP.	Materials	Finland	4.38
SANOFI	Health Care	France	4.08
EDP ENERGIAS R	Utilities	Portugal	3.72
SCHNEIDER ELECTRIC	Industrials	France	3.68
PEARSON PLC	Consumer Discretionary	UK	3.65
KERRY GRP-A-	Consumer Staples	Ireland	3.51
SPIE	Industrials	France	3.46
CNH INDUSTRIAL	Industrials	Netherlands	3.44
DIASORIN	Health Care	Italy	3.22
GEA GROUP AG	Industrials	Germany	3.14
THERMO FISHER SCIEN	Health Care	USA	3.11
GENMAB	Health Care	Denmark	3.02
NATWEST GRP RG	Financials	UK	3.02
INFINEON TECHNO	Information Technology	Germany	2.87

Source: UBP, as of 30 December 2022



What was the proportion of sustainability-related investments?

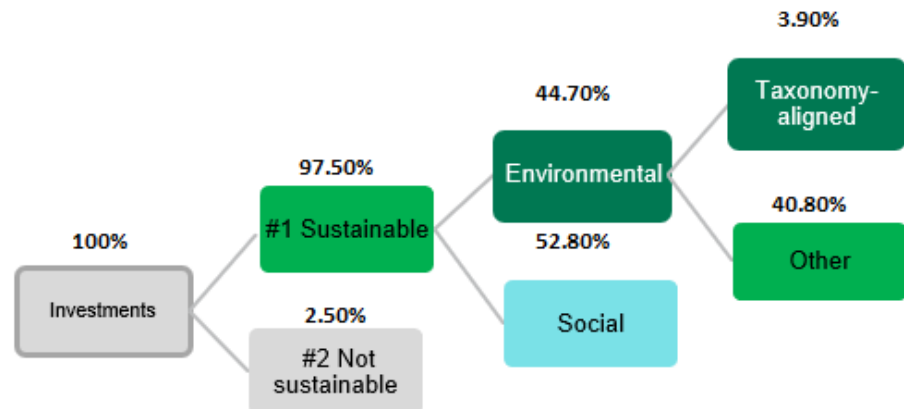
Asset allocation
describes the share
of investments in
specific assets.

97.50%

- *What was the asset allocation?*

#1 Sustainable
covers sustainable
investments with
environmental or
social objectives.

**#2 Not
sustainable**
includes
investments which
do not qualify as
sustainable
investments.



Source : UBP, as of 30 December 2022

● **In which economic sectors were the investments made?**

To comply with the EU taxonomy, the criteria for **fossil gas**

Include limitations on emissions and switching to fully 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

Sector	% of net assets
Pharmaceuticals and cosmetics	14.87
Machine and apparatus construction	8.79
Utilities	8.73
Building materials and trade	8.01
Banks and other financial institutions	7.54
Electronics and semiconductors	7.31
Chemicals	6.00
Holding and finance companies	4.85
Paper and forest products	4.38
Electrical engineering and electronics	4.25
Foods and non alcoholic drinks	4.17
Graphic art and publishing	3.65
Biotechnology	3.02
Packaging industries	2.50
Road vehicles	1.87
Agriculture and fishery	1.73
Communications	1.71
Textiles and garments	1.61
Environmental services and recycling	1.36
Miscellaneous services	1.13
Total	97.48

Source: Fund administration data, as of 30 December 2022

The use of different data sources and systems may result in limited variations across the various sections of the present report.



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

At the time of writing this report, four companies in which the fund is invested have reported their EU taxonomy aligned revenues for 2022 (GEA Group, Orsted, SPIE and Veolia). Considering the weight of these companies in the portfolio, this resulted in a revenue-based investment of 3.9% of total assets.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

☐ YES

☒ In fossil gas

☐ in nuclear energy

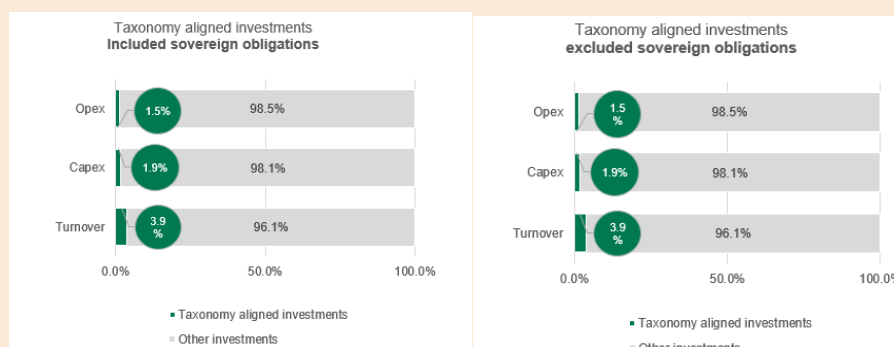
☒ NO

"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 - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214."

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*

Source: Reported Taxonomy-alignment, based on company reports, as of 30 December 2022

There was no sovereign exposure in the sub-fund at the end of the year

The graph 'taxonomy aligned investments-excluded sovereign obligations' represents 100% of the total net assets. Note that, at the time of writing, while four investee companies had reported on their taxonomy-aligned revenues, only one of them had also reported on the alignment of its CAPEX and OPEX.

● What was the share of investments in transitional and enabling activities?

Estimated share of investments in transitional activities 0%

Estimated share of investments in enabling activities 0%

Source: based on company reports, as of 30 December 2022

We do not have reported information for the split of enabling and transitional activities at the time of writing, hence the 0% above for both transitional and enabling activities.

Based on Sustainalytics estimates, the Sub-Fund may hold 3.1% investments in enabling activities and 0% in transitional activities.

● How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

N/A




What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

40.8%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022

This includes:

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

- 3.6% invested in companies having a share of their revenues estimated by Sustainalytics to be taxonomy aligned, but for which reported data was not available at the time of writing
- Other investments with an environmental objective that is not covered by the EU Taxonomy (which currently only covers climate change mitigation and adaptation)



What was the share of socially sustainable investments?

52.8%

Source : UBP, Sustainalytics, MSCI ESG Research, as of 30 December 2022



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

2.5%

The Sub-Fund held 2.5% in other net assets (primarily cash plus derivatives used for share class hedging) at the end of the year. While there was no minimum environmental or social safeguards on these investments, this is not expected to have any impact on the sustainability objective of this Sub-Fund.

Source : UBP, as of 30 December 2022



What actions have been taken to attain the sustainable investment objective during the reference period?

On the investment side, every invested company has been assessed through an internally-designed methodology which includes but is not limited to:

- principal adverse impact indicators review
- 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.

The Investment Manager exercises its voting rights, in line with the voting policy which follows sustainability principles.

Engagement with investee companies is conducted directly by the investment team as well as, on an ad-hoc basis, collaboratively.

The Investment manager participates in collaborative engagement to promote climate disclosures and ambitious climate strategies, notably via the CDP.

Engagement examples are provided in the annual impact report.



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

How did this financial product perform compared to the reference sustainable benchmark?

No reference benchmark.

- *How did the reference benchmark differ from a broad market index?*

N/A

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?*

N/A

- *How did this financial product perform compared with the reference benchmark?*

N/A

- *How did this financial product perform compared with benchmark?*

N/A