PRE CONTRACTING FACTS

ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

PRODUCT NAME :
PEOPLE & PLANET (THE " MANDATE ')

LEGAL ENTITY IDENTIFIER :
549300UA2M7UCJX8SE64

DID THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

☐ **YES**

☐ It made a minimum of **sustainable investments 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

☐ It made **sustainable investments with a social aim of** ___%

[X] **No**

[X] **It promoted environmental/Social (E/S) characteristics** and, while it did not have a sustainable investments, it will contain a minimum of 10% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

[X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ With a social objective

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

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.

WHAT ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS ARE PROMOTED BY THIS FINANCIAL PRODUCT?

The environmental and/or social (" E/S ") characteristics, promoted by the Mandate , consist in investing primarily in UCIs classified as article 8 SFDR with a minimum of 10% of sustainable investments within the meaning of SFDR Regulation and/or article 9 SFDR.

The Mandate may invest in « internal » UCIs, i.e. UCIs managed by an Indosuez Wealth Management Group entity and/or in « external » UCIs, which are not managed by an Indosuez Wealth Management Group entity .

E/S characteristics promoted for investments in **internal UCIs**

The **internal UCIS** invested in by the Mandate are subject to a detailed look-through analysis of the ESG profile of the corresponding issuers, by applying the Indosuez Wealth Management Group's ESG rating methodology, as described below .

Evaluation of the ESG rating based on a look-through analysis of the Indosuez Wealth Management group internal UCIs:
The Indosuez Wealth Management Group draws on the analysis of an external provider, which has dedicated resources and teams with ESG-related experience. The provider assigns ESG ratings to target investments on a monthly basis, based on the analysis of 37 environmental, social and governance criteria, comprising 16 generic criteria and 21 criteria specific to the different sectors and several data providers. The ESG ratings received are converted by applying a rating grid specific to the Indosuez Wealth Management Group on a scale of 0 (lowest rating) to 100 (highest rating).

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

E/S characteristics promoted for investments in external UCIs

External UCIs are selected on the following criteria :

1. Qualification under the SFDR Article 8 fund with a minimum commitment to sustainable investments within the meaning of SFDR Regulation of 10 % and/or as an SFDR Article 9 fund
2. The quality of the ESG analysis of the issuers carried out by the external UCI management company using investment due diligence (IDD)
3. Quality ofthe SFDR-related pre-contractual apendices and non-financial reports (periodic information or toher non-financial reports)
4. Consideration of adverse impacts on sustainability.

Limit of the approach used:

The selected **external UCIs** may implement ESG strategies that differ from those implemented within the Indosuez Wealth Management Group. As such, they may have different approaches to taking into account non-financial criteria, which may lead to inconsistencies in the non-financial analysis of the Mandate.

No benchmark index has been designated for the purpose of achieving the E/S characteristics promoted by the Mandate.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to measure the achievement of the above-mentioned E/S characteristics, the Mandate will use the following sustainability indicators :

- The percentage of UCIs classified as SFDR Article 8 with a minimum of 10% of sustainable investments within the meaning of SFDR Regulation and/or SFDR Article 9 funds (90% minimum)
- The percentage of sustainable investments within the meaning of SFDR Regulation (10% minimum) based on the weighted commitments of the UCIs in the portfolio (Source in particular : pre-contractual ratings/non-financial reports)

What are the objectives of sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

For Internal UCIs subject a look-through analysis:

The aim of the sustainable investments of Internes UCIs is to invest in target issuers that aim for two purposes :

1. Follow best environmental and social practises ; and
2. do not generate any products or services that harm the environment or society.

It was established that "contributing to long-term sustainability criteria" applicable to issuers meant that they had to be exemplary in their sector in terms of at least one environmental or social factor. The definition of an exemplary issuer in its sector is based on the ESG rating methodology used to measure the ESG performance of the issuer. In order to qualify as "exemplary", an issuer must be part of the top third of the companies in its business sector in terms of at least one environmental or social factor.

An issuer meets these long-term sustainability criteria if, moreover, it is not significantly exposed to transactions that are incompatible with said criteria (e.g. tobacco, weapons, betting, coal, aviation, meat production, fertilisers and pesticide manufacturing, single-use plastic production).

For **external UCIs:**

As **external UCIs** are not subject to a look-through analysis, the Mandate's sustainable investment objectives for the portion invested in these external UCIs may only be monitored on a "best effort" basis, i.e. by demonstrating an improvement in or good prospects for improving their ESG practices and performance over time, taking into account the limit of the approach adopted, bearing in mind that it will depend on the methodologies developed by the management companies of these UCIs as to whether such an investment can be qualified as sustainable.

As part of its **external UCI** selection process, the Agent nevertheless ensures that the sustainable investment objectives of these UCIs do not deviate significantly from those applicable to the internal UCIs that undergo a look-through analysis.

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?

For **internal UCIs:**

The DNSH (Do Not Significantly Harm) principle is tested based on Principal Adverse Impacts (such as the intensity of the issuer's GHG emissions) which are measured using a combination of indicators (e.g. carbon footprint) and specific thresholds or rules (e.g., the issuer's carbon footprint cannot be in the lower decile of the sector). In addition to these criteria specifically established for this test, the Agent takes into account certain Principal Adverse Impact indicators in its exclusion policy. This methodology does not currently take into account all the indicators of the Principal Adverse Impacts listed in Appendix 1 of the Commission Delegated Regulation (EU) 2022/1288 in this first DNSH test, but the methodology will gradually integrate these indicators as the quality and scope of the data improve.

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.

In addition to the sustainability factors covered by the first test, a second test has been defined to verify that the issuer's environmental or social impact is not among the worst in the sector.

For **external UCIs:**

As part of its process for selecting and monitoring external UCIs, the Agent applies its best efforts to ensure that the managers of the external UCIs carry out a DNSH test on investments considered to be sustainable and that these tests are based on the pre-contractual appendices, the periodic information on the UCIs, and any other relevant non-financial reporting.

How have the indicators of adverse impacts been taken into account?

The **internal UCIs** take these indicators into account as part of their monitoring processes (e.g., monitoring of the intensity of the issuer's GHG emissions). This monitoring is based on a combination of indicators (e.g., carbon footprint) and specific thresholds or rules (e.g., the target's carbon footprint cannot be in the lower decile of the sector). In addition to these criteria specifically established for this test, the Agent takes into account certain Principal Adverse Impact indicators in its exclusion policy. This methodology does not currently take into account all the indicators of the Principal Adverse Impacts listed in Appendix 1 of the Commission Delegated Regulation (EU) 22/2018 in this first DNSH test, but the methodology will gradually integrate these indicators as the quality and scope of the data improve.

The way in which external UCIs take these indicators into account depends on the due diligence carried out by their management company. Nevertheless, the Agent shall enquire, on a "best effort" basis, about the policies put in place to take these indicators into account on the basis of, in particular, pre-contractual appendices, periodic information on these UCIs and any other relevant non-financial reporting.

To what extent do the sustainable investments comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights?

For **internal UCIs** for which a look-through sustainability analysis has been carried out, the alignment with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights is tested and ensured as part of the sustainable investment identification process. Through the ESG rating and the exclusion policy, the Agent reviews companies before including them in the investment universe.

The way in which **external UCIs** comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights depends on the due diligence carried out by their management company. As part of the selection and monitoring of external UCIs, the Agent enquires, on a "best effort" basis, about the policies put in place to take these principles into account during the definition of eligible sustainable investments for the external UCIs, on the basis of, in particular, pre-contractual appendices, periodic information on these UCIs and any other relevant non-financial reporting.

The EU's taxinomy lays down a principle of 'not causing significant harm' whereby investments aligned with taxinomy should not cause significant harm to the objectives of the EU's taxinomy and which is accompanied by specific EU criteria.

The principle of 'not causing significant harm' applies only to investments underlying the financial product that take account of EU criteria for environmentally sustainable economic activities. Investments underlying the remaining portion of this financial product do not take into account EU criteria for environmentally sustainable economic activities.

DOES THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

☒ Yes, the Mandate considers the Principal Adverse Impacts on sustainability factors as follows:

#	ADVERSE IMPACT INDICATOR	APPROACH USED FOR INTERNAL UCIS	APPROACH USED FOR EXTERNAL UCIS
1	GHG emission (levels 1, 2 and 3)	ESG Rating and voting policy	Periodic information and other non-financial reporting
2	Carbon footprint	ESG Rating and voting policy	Periodic information and other non-financial reporting
3	GHG emission intensity of the companies benefiting from the investments	ESG Rating and voting policy	Periodic information and other non-financial reporting
4	Exposure to companies operating in the fossil fuel industry	ESG Rating, exclusion policy and policy voting	Periodic information and other non-financial reporting
5	Share of non-renewable energy consumption and production	ESG Rating and voting policy	Periodic information and other non-financial reporting
6	Energy consumption intensity by sector with high climate impact	ESG Rating and voting policy	Periodic information and other non-financial reporting
7	Activities with an adverse impact on biodiversity-sensitive areas	ESG Rating	Periodic information and other non-financial reporting
8	Discharges into water	ESG Rating	Periodic information and other non-financial reporting
9	Ratio of hazardous waste and radioactive waste	ESG Rating	Periodic information and other non-financial reporting
10	Violations of the United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises	Exclusion policy and voting policy	Periodic information and other non-financial reporting

#	INDICATOR OF NEGATIVE IMPACTS	APPROACH USED FOR INTERNAL UCIS	APPROACH USED FOR EXTERNAL UCIS
11	Absence of processes and compliance mechanisms to monitor compliance with the United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises	Not taken into account	Not taken into account
12	Uncorrected pay gap between men and women	Not taken into account	Not taken into account
13	Diversity within governance bodies	Not taken into account	Not taken into account
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)	Exclusion policy	Periodic and other non financial reporting
15	GHG emission Intensity	ESG Rating	Periodic and other non financial reporting
16	Investment countries experiencing violations of social standards	Exclusion policy	Periodic and other non financial reporting

Further information on how the Principal Adverse Impacts on sustainability factors have been taken into account will be available in the Mandate's periodic reports.

☐ No

WHAT INVESTMENT STRATEGY THIS FINANCIAL PRODUCT FOLLOW?

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

The Mandate seeks to generate strong capital growth over the medium to long term (six or more years), mainly through investment in equity markets, with a particular focus on environmental and social themes. The Agent prioritises investments that offer considerable upside potential and therefore accepts a high level of risk. The Mandate will invest in full in equity, bond, money market and diversified investments, as well as in structured products or instruments in foreign exchange and commodities markets, with investments in UCI equity funds comprising between 40% and 75%. The international dimension of the strategy may result in foreign exchange risk.

The recommended investment horizon is at least 6 years .

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?

The binding elements of the investment strategy are the follows :

- Systematic application of the ESG rating when analysing each Internal UCI,
- At least 90% of the Mandate must be invested in internal and external UCIs classified as an SFDR Article 8 fund with a minimum commitment to sustainable investments within the meaning of the SFDR as of 10% and/or as an SFDR Article 9 fund (Source: pre-contractual ratings and non-financial reports).
- At least 10% of the Mandate invested in sustainable investments within the meaning of the SFDR on the basis of the minimum weighted commitments of the UCI of the Mandate (Sources: pre-contractual notices and non-financial reporting).

What is the minimum commitment rate to reduce the scope of the investments envisaged before the application of this investment strategy?

Not applicable (N/A)

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

Good governance practises include sound management structures, staff relations, staff remuneration and tax compliance.

For Internal UCIs:

The governance criteria considered in the ESG rating and the exclusions help ensure that the target issuers of the internal UCIs apply good governance practices. These criteria make it possible to ensure, in particular, that the internal UCIs in which the Mandate invests do not contribute to the violation of human or labour rights, corruption or other actions that could be considered unethical. This approach is based on global standards and principles, which include (but are not limited to) the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights.

For external UCIs:

The assessment of good governance practices by companies that benefit from the investments of the external UCIs in which the Mandate invests depends on the policies implemented by the management companies of these UCIs. As part of the selection and monitoring of external UCIs, the Agent enquires, on a "best effort" basis, about the policies put in place to assess these good governance practices and the way they are implemented, on the basis of, in particular, the periodic information reports of these UCIs and any other relevant non-financial reporting.

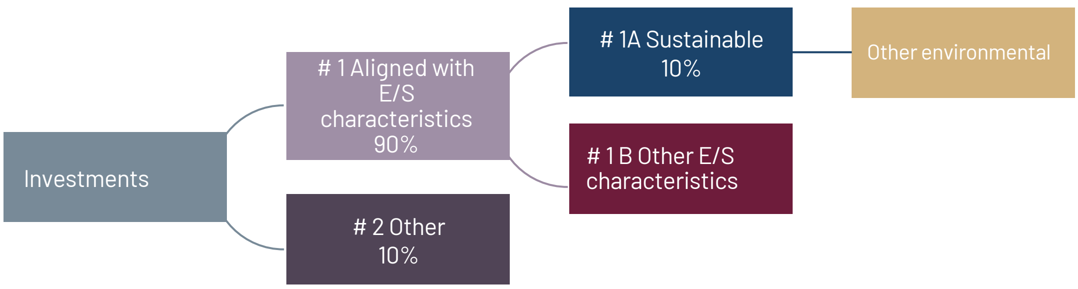
WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?

Asset Allocation describes the share of investments in specific assets.

Activities aligned with taxinomy are expressed as a percentage:

- **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) to reflect companies' green operations

A minimum of 90% of the Mandate will be invested in internal and external UCIs that are aligned with the E/S characteristics promoted (#1 Aligned with the E/S characteristics); among these investments, those considered sustainable investments will represent at least 10% of the assets (#1A Sustainable). The rest (10%) will consist of cash, cash equivalents as well as unscreened investments and will not be aligned with the E/S characteristics promoted (#2 Other).



#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.

The **# 1 Aligned with E/S characteristics category includes**:

- the **#1A Durable** sub-category covering sustainable investments with environmental or social objectives;
- the **#1B Other** E/S characteristics sub-category covering investments aligned with environmental or social characteristics that are not considered sustainable.

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

Not applicable (N/A)

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

The Agent is currently not committed to investing the Mandate in sustainable investments within the meaning of the EU taxonomy, but only within the meaning of the Sustainable Finance Disclosure Regulation ("SFDR"). However, this position may change as the underlying rules are finalised and the availability of reliable data increases over time. As a result, the alignment of the investments of the Mandate with the EU taxonomy has not been calculated and has therefore been considered as constituting 0% of the Mandate.

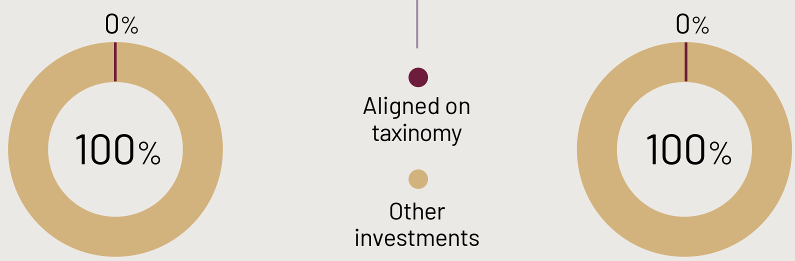
Has the financial product invested in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy*?

- ☐ Yes
  - ☐ In fossil gas
  - ☐ In nuclear energy
- ☒ No

The graphs below show in green the percentage of investments that were 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.

Taxonomy-alignment of investments **excluding sovereign bonds***

2. Taxonomy-aligned of investments **including sovereign bonds***



* For the purposes of these charts, 'Sovereign Bonds' includes all sovereign exposures.

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

As the Mandate does not commit to making sustainable investments within the meaning of the EU taxonomy, the minimum share of investments in transitional and enabling activities within the meaning of the EU taxonomy is therefore also set at 0%.

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

The Agent undertakes to maintain a minimum share of 10% of sustainable investments aligned from an environmental perspective with the SFDR. These investments could be aligned with the EU taxonomy, but the Agent is not currently in a position to specify the exact proportion of the Mandate's underlying investments that take into account the EU criteria for environmentally sustainable economic activities. However, this position will be maintained under review as the underlying rules will be finalised and the availability of reliable data will increase over time.

* Fossil gas and/or nuclear-related activities will comply with the EU Taxonomy only if they contribute to limiting climate change ("climate change mitigation") and do not cause significant harm to any EU Taxonomy objective - see explanatory note in the left-hand margin. All criteria applicable to economic activities in the fossil gas and nuclear energy sectors that comply with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and hat have greenhouse gas emission levels corresponding to the best performance.

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 SOCIALLY SUSTAINABLE INVESTMENTS?

Although investments made by the Mandate may be classified as socially sustainable investments within the meaning of the SFDR, the Agent does not currently make a commitment to a minimum share of investments in this regard.

WHAT INVESTMENTS ARE INCLUDED UNDER "#2 OTHER", WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?

The '# 2 Other' category consists of investments not screened for diversification purposes, defaulted investments or cash held as ancillary cash. There is no minimum environmental or social guarantee for these investments.

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?

Non Applicable (N/A).

WHERE CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

Further information on the product is available on the website:
https://italy.ca-indosuez.com/indosuez-in-italia/mifid-ii-bail-in-conflitti-sfdr

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