GLOBAL SUSTAINABLE INVESTMENT POLICY

Banque Degroof Petercam Luxembourg

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1. Scope of this document

This document presents a summary of the Global Sustainable Investment Policy (hereinafter "GSIP") used by Banque Degroof Petercam S.A., including its Belgian, French and Luxembourg activities.

This policy defines:

- The principles that Degroof Petercam has established to identify sustainability risks and to assess and manage the principal adverse impacts on sustainability factors in connection with its investment decisions within the framework of discretionary management services, investment advisory services, fund management (including wealth funds and DPAS fund administration), its life insurance activities and its investment services for clients in general.
- The process of selection and extra-financial classification of all the financial instruments in Degroof Petercam's investment universe and how these instruments can be used to define ESG-promoting or sustainable products or, if these instruments are sustainable, how they can be used to respond to client sustainability preferences.

2. Scope of the policy

The principles set out in this policy apply to the employees of Degroof Petercam, including its Belgian, French and Luxembourg activities, in particular its Private Banking, Asset Services (DPAS) and equity management activities. A separate policy applies to the activities carried out by Degroof Petercam's asset manager, Degroof Petercam Asset Management. The GSIP applies to all other Group entities equally.

The GSIP has been drawn up in accordance with Degroof Petercam's obligations under the Sustainable Finance Disclosure Regulation (see below), with respect to both its activities as a financial market participant and its activities as a financial adviser.

This policy describes the selection and classification process applied to all instruments used in Degroof Petercam's range of financial services. It also sets out the process for classifying all the sustainable instruments that can be used to meet client sustainability preferences.

Unless otherwise specified herein, the definitions and descriptions contained in this policy apply to Degroof Petercam's role as an actor in the financial markets.

The role of financial adviser will be clearly stated in specific cases.

3. Background information

3.1. HISTORICAL INTRODUCTION

The Paris Climate Agreements, signed in 2015 at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21), were negotiated by representatives of 196 nations. The objective of these agreements is to limit the increase in global average temperature to less than 2 degrees Celsius above pre-industrial levels to mitigate the irreversible impacts of climate change.

Public and private investors must take urgent action to meet this target. The Paris Agreements led to the launch of the European Union Action Plan, which is designed to support these objectives through sustainable finance, by redirecting capital flows towards sustainable investments. Managing the financial risks arising from climate change, resource depletion, environmental degradation and social issues is also important. And finally, the time has come to promote transparency and a long-term vision for financial and economic activity.

Europe has introduced a raft of regulations to support this ambitious plan. The first step involves standardising how companies integrate sustainability aspects into their activities. This means that companies are required to disclose a range of ESG and sustainability-related information. The purpose of this reporting requirement is to enable financial institutions to use this information to classify products and develop an appropriate framework. As a result, investors will be provided with more transparent information on ESG factors and sustainability in their investments, be able to express their objectives and preferences in this area and direct more capital towards sustainable activities.

3.2. SUSTAINABLE FINANCE DISCLOSURE REGULATIONS (REFERRED TO IN THE DOCUMENT AS THE "SFDR")

In line with the EU Action Plan and with a view to addressing the importance of sustainability issues and the impact of not managing sustainability risks, in 2019 the EU adopted the Sustainable Finance Disclosure Regulation ("SFDR" - Regulation 2019/2088). The SFDR is intended to increase the transparency of ESG and sustainable investments.

This regulation applies to:

- Actors in the financial markets (hereinafter "AFM"):
  Any entity that acts as fund manager for a UCITS fund or an AIF. Any entity that manages client portfolios on a discretionary basis.
- Financial Adviser (hereinafter "FA"):
  Any entity that provides investment advisory services in respect of financial instruments.

The Regulation also provides for a specific scope of application for:

1. a discretionary portfolio management portfolio (DPM);
2. an alternative investment fund (AIF);
3. an insurance-based investment product;
4. a UCITS.

An SFDR product within the meaning of the GSIP is either a fund (UCITS or AIF) or a discretionary management portfolio.

SFDR includes a series of new disclosure rules relating to sustainability and environmental, social and governance issues (hereinafter "ESG"). From 2023, pre-contractual communications and periodic reporting to clients will also be included in the scope of the SFDR.

The two main levels of disclosure will be:

- at entity level, when acting as a MiFID portfolio manager, MiFID financial adviser, ManCo UCITS/AIFM or insurance company/intermediary providing or advising on insurance-based investment products ("IBIP"); and
- at the product level, with respect to UCITS/AIFs ("funds"), discretionary managed portfolios ("managed accounts") and IBIPS that have environmental ("E") or social ("S") characteristics

or whose investment objective is to target sustainable investments (“SI”) (as defined in the SFDR).

These concepts will be referred to later in this policy.

The main SFDR rules have been set out in detail in Regulatory Technical Standards (RTS), which were published in July 2022.

The SFDR introduces a few new concepts to the investment world:

- Sustainability risk: “an environmental, social or governance event or condition which, if it occurs, could cause an actual or a potential material negative impact on the value of the investment”. These risk elements are linked to ESG factors that could have an impact on the investment products.
- Principal Adverse Impact on sustainability (“PAI”): Environmental, social and employee issues, respect for human rights, anti-corruption, and anti-bribery issues. This involves quantifying the risk impact of investments/decisions/advice on sustainability factors and notifying investors.

3.3. TAXONOMY REGULATION

The aim of the European Taxonomy is to create a system for classifying economic activities at the level of companies deemed “sustainable” from an environmental or social point of view.

An activity can be considered “sustainable” under the Taxonomy if it makes a substantial contribution to one of the six environmental objectives:

1. Mitigation of climate change
2. Adaptation to climate change
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

To date, only the first two objectives have been developed. A second stage will see the scope of the Taxonomy extended to include activities that contribute to social objectives.

To be aligned with the Taxonomy, the activity must also not result in significant harm to any of the other five objectives and must respect minimum guarantees (social or governance) to be considered “sustainable” (in line with the OECD guidelines).

In addition, the Taxonomy requires SFDR products to disclose information on their alignment with the Taxonomy in their pre-contractual information sheet and periodic report. Both of these documents are based on EU models.

4. Degroof Petercam's legal obligations under the SFDR

4.1. INTEGRATION OF SUSTAINABILITY RISK

Sustainability risks can affect portfolios in different ways. Let's consider the following two scenarios:

- First scenario: a company with sub-standard governance practices comes under fire from regulators and auditors and faces a stiff fine.
- Second scenario: a company that fails to anticipate the rising cost of greenhouse gas emissions and ends up paying large sums for emissions rights.

In both cases, sustainability risks have an impact on profitability and could affect the stock market performance of these companies. Monitoring sustainability risks and their impact on a company's financial performance has been part of Degroof Petercam's investment process for many years.

In 2021, Degroof Petercam expanded its investment process to include an extra-financial investment process ("EFIP"). This policy equips our investment teams with a methodology for extra-financial classification that enables them to identify a company's exposure to key sustainability issues, and to monitor how these issues are being addressed.

The SFDR regulation requires that Degroof Petercam disclose how it integrates potential sustainability risks into its investment decision-making processes.

Degroof Petercam has developed a process for selecting and classifying the underlying products used to create SFDR products - which are funds (AIFs and UCITS) and portfolios managed on a discretionary basis - both in its role as an AFM and as an FA.

Degroof Petercam manages the sustainability risk through a systematic and thorough ESG selection and classification of the financial instruments. This process is based on objective market data that is provided by data providers specialised in ESG/sustainability issues. Degroof Petercam has integrated clear environmental and social criteria to this end, and closely monitors the good governance principles of the companies it analyses.

All of the financial instruments used in Degroof Petercam's investment services process, whether for fund management, investment advisory services or discretionary portfolio management, are screened and classified following a process of analysis from three different angles:

- Eligibility of the security in the extra-financial sense;
- Management of this extra-financial risk (or level of integration of ESG criteria);
- The sustainable aspect of the financial instrument.

Instruments that do not meet certain minimum standards may be excluded from our investment services.

Degroof Petercam believes that the higher the risk exposure and the higher the unmanaged portion of this risk, the greater the potential impact on reputation and finances. By excluding or reducing the proportion of these risky investments in our SFDR products, we effectively manage the ESG risk of our clients' investments. In addition, our normative screening ensures that our ESG and sustainable products are even less exposed to these sustainability risks.

Accordingly, Degroof Petercam assesses the likely impact of sustainability risks on the various products as follows:

- SFDR products that make sustainable investments: low
- SFDR products that promote ESG characteristics: medium
- Other products: high

The underlying instruments used in discretionary portfolio management and fund management are screened on the basis of positive and negative ESG criteria, and exclusion criteria are included.

Depending on the type of SFDR product, specific rules apply to the categories of underlying financial instruments that may or may not be used, and potentially the extent to which they may be used. This will be explained in more detail below.

As a financial adviser, the funds we market benefit from the same level of control.

Lastly, although investment advisory portfolios are not SFDR products as such, the rules relating to the eligibility and proportion of underlying instruments to be used in an Article 8 SFDR product are also applied to these portfolios in the internal sustainable investment strategy.

This means that all SFDR products marketed and for which we provide guidance are subject to an ESG review, in which sustainability risks play an important role in determining whether the product is eligible for Degroof Petercam’s investment universe.

Degroof Petercam applies these rules independently of the investor’s sustainability profile defined in the context of the collection of “sustainability preferences” under MiFID II, as Degroof Petercam’s global strategy is to limit the sustainability risks for all the portfolios it manages and advises.

As a result, the sustainable investment strategy rules defined by Degroof Petercam are applied to all “investment decisions and recommendations”. These rules also apply to “neutral profiles”, with the exception of “reactive investment advisory services”.

4.2. ASSESSING THE IMPACT OF PAI

The SFDR regulations require Degroof Petercam to assess the impact of its investment decisions on sustainability issues. This involves annual disclosures at the entity level based on the principal adverse impacts on sustainability (known as “PAI”).

It consists of a list of sustainability elements that illustrate the impact that the investment decision-making process of an AFM such as Degroof Petercam could have on climate change or deforestation, for example.

Degroof Petercam will produce two separate reports, one in its capacity as an actor on the financial markets (“AFM”) and the other in its capacity as financial adviser (“FA”) and will publish them on a dedicated sustainability page on its website.

The PAI report will be published before the end of June each year and will satisfy the requirements set out in Annex I of Delegated Regulation 2022/1288.

The report will include the 14 PAI for private issuers, the two PAI specific to real estate and the two PAI for sovereign and supranational issuers. Degroof Petercam will select at least one additional indicator relating to climate and other environmental issues and one additional indicator relating to social issues and employees, respect for human rights, anti-corruption and bribery, as defined in table 2 of Annex I of Delegated Regulation 2022/1288.

For these purposes, Degroof Petercam will collect PAI data from data providers based on the required PAI as mentioned in Annex I of the Delegated Regulation.

To support its sustainability strategy, Degroof Petercam has established a global approach to the management of adverse impacts by applying, within its due diligence process, a more active analysis of a pre-selected list of PAI indicators that will influence its investment and advisory decisions. However, Degroof Petercam will closely monitor its potential impact on other indicators and make corrections if necessary.

Degroof Petercam bases its due diligence process on clear environmental and social criteria that also take into account corporate governance principles.

Degroof Petercam has developed a process for selecting and classifying the underlying products used to create SFDR products (which are funds (AIFMs and UCITS) and portfolios managed on a discretionary basis), both in its role as an AFM and as an FA.

The underlying instruments used in discretionary portfolio management and fund management will be selected on the basis of positive and negative ESG criteria, and exclusion criteria will be applied in order to minimise significant impacts. Depending on the type of SFDR product, specific rules apply to the categories of underlying financial instruments that may or may not be used, and potentially the extent to which they may be used. This will be explained in greater detail later in the document.

As a financial adviser, the funds we market benefit from the same level of analysis.

Lastly, although investment advisory portfolios are not SFDR products as such, the rules relating to the eligibility and proportion of underlying instruments to be used in an Article 8 SFDR product are also applied to these portfolios in the internal sustainable investment strategy.

Degroof Petercam applies these rules independently of the investor’s sustainability profile defined in the context of the collection of “sustainability preferences” under MiFID II, as Degroof Petercam’s global strategy is to limit the sustainability risks for all the portfolios it manages and advises. As a result, the sustainable investment strategy rules defined by Degroof Petercam are applied to all “investment decisions and recommendations”. These rules also apply to “neutral profiles”, with the exception of “reactive investment advisory services”.

Degroof Petercam’s intention in adopting this approach is to limit, at the entity level, the PAI of its investment decisions based on a global approach. Following the same philosophy as for sustainable development risks, Degroof Petercam believes that choosing issuers and companies with lower ESG risk exposure and/or better management of this exposure can reduce the impact on PAI.

Additionally, during our due diligence process, we give priority to a large proportion of companies that outperform their peers (within a sector) on environmental and/or social issues, and we strongly limit the number of ‘underperformers’. This allows us to limit our impact on PAI.

In order to limit the negative impact within the third-party funds in which we invest on behalf of our clients, Degroof Petercam has an engagement policy with external fund managers to allow them to modify their investments, to provide any additional explanations they may have or, if they do not react accordingly, to exclude these funds from our selection.

Degroof Petercam has selected a list of PAI to be monitored as a matter of priority from among the 14 PAI that are mandatory for issuing companies.

The specific PAI are as follows:

- Greenhouse gas emissions;

- Carbon footprint;
- Breaches of the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- Exposure to controversial weapons (landmines, cluster munitions, chemical and biological weapons).

In addition, the two PAI for sovereign and supranational issuers ("greenhouse gas intensity" and "investment countries subject to social breaches") will also be part of Degroof Petercam's priority list.

As from 1 January 2023, Degroof Petercam will add additional information at the product level to provide a clear and objective explanation of whether a financial product takes into account the main negative impacts on sustainability factors.

Detailed rules on monitoring, the implementation of due diligence and the development of the PAI report, including data sourcing, will be described subsequently in a procedure and will be implemented in 2023.

4.3. INTEGRATION OF SUSTAINABILITY RISK INTO REMUNERATION POLICIES

The rules on remuneration include the integration of sustainability risks, as defined in Degroof Petercam's Remuneration Policy.

4.4. PRODUCT GOVERNANCE AND DISCLOSURE

4.4.1 Product types

Degroof Petercam takes into account the new product rules defined by the SFDR and indicates to what extent sustainability elements are relevant for these different products.

Degroof Petercam uses legal definitions to define 4 types of products marketed to investors that fall within the scope of the SFDR. They (the "SFDR products") are described as follows:

- Products that do not promote sustainable objectives and ESG characteristics:
  - SFDR reference: Under Article 6, these products are required to define their sustainable development risk policy.
  - May not be represented as ESG products.
  - May not disclose their alignment with the Taxonomy but must contain a notification that they do not adhere to the strict principles of the Taxonomy and that information on sustainability risk management is required.
  - This product may invest in all classes of underlying instruments identified by the EFIP process, but restrictions may apply due to the rules relating to the investment universe and its exclusions.
- Products that promote ESG characteristics:
  - SFDR reference: Article 8.
  - Can be promoted/marketed as incorporating ESG criteria.
  - These products hold financial instruments based on predefined rules.
  - This product may not disclose its alignment with the Taxonomy but must contain a notification that it does not adhere to the strict principles of the Taxonomy.

   - ESG integration must be a binding and firm commitment.
- Products that promote ESG characteristics and make sustainable investments:
   - Subcategory of SFDR Article 8 products.
   - Can be promoted/marketed as incorporating ESG criteria and making sustainable investments.
   - Will consist of a selection of underlying investments that have a sustainability objective. These specific investments must comply with the “do no significant harm” principle.
   - These products will disclose their alignment with the Taxonomy on the basis of the EU model and incorporate it into their reports.
   - These products hold financial instruments based on predefined rules.
   - The integration of ESG and sustainable investment objectives must be binding and firm commitments.
- Products with a sustainable investment objective:
   - SFDR reference: Article 9.
   - Can be promoted/marketed as having a sustainable investment objective, meaning that the products strive to have a positive impact on one or more environmental or social characteristics.
   - All of the underlying investments must be aligned with good corporate governance practices and
   - Comply with the “do no significant harm” principle.
   - These products will disclose their alignment with the Taxonomy on the basis of the EU model and incorporate it into their reports.
   - Will consist almost exclusively of underlying investments that pursue one or more sustainability objectives.
   - These products hold financial instruments based on predefined rules.
   - The integration of ESG and sustainable investment objectives must be binding and firm commitments.

For the sake of clarity, products falling within the scope of SFDR, such as discretionary funds and portfolios, are referred to in this policy as “SFDR products”. The underlying investments, such as equities, bonds, and funds, are referred to in this policy as the “instruments”.

Chapter 5 sets out the specific rules on how these SFDR products will be structured using the selected underlying instruments.

5. Degroof Petercam’s Extra-Financial Investment Process (EFIP)

5.1. GENERAL DESCRIPTION

Degroof Petercam has chosen to comply with the regulations by using an extra-financial investment process (EFIP) which provides investment teams with an extra-financial classification methodology.

This process is systematically applied to the following financial instruments:

- Funds (internal funds and funds from third-parties)
- Bonds or other fixed income products issued by companies or governments
- Equities

In the EFIP framework, issuers (whether companies or governments) are analysed from three different angles:

- The first angle is their eligibility. In practice, we exclude certain issuers on the basis of an analysis of controversial activities and/or behaviour. For certain funds identified by our fund selection analysis, we may be prompted to enter into dialogue with the fund manager to discuss investments that we feel are ineligible.
- The second is the extent to which they integrate environmental, social and governance (ESG) risks. We analyse both their exposure to these risks and how they manage them.
- The third is their sustainability. We measure the extent to which the products and services provided by the issuer contribute to specific environmental and social objectives.

This process is applied to the financial instruments that form part of Degroof Petercam’s investment services universe and leads to the identification of the appropriate extra-financial label for each issuer.

Derivative products, structured products, and physical gold, however, are not assessed or screened because, by their nature, extra-financial classification is difficult to determine for these instruments or because we were unable to collect sufficient data to make a proper categorisation. They will be classified as “no category”.

The extra-financial investment process is carried out in three steps:

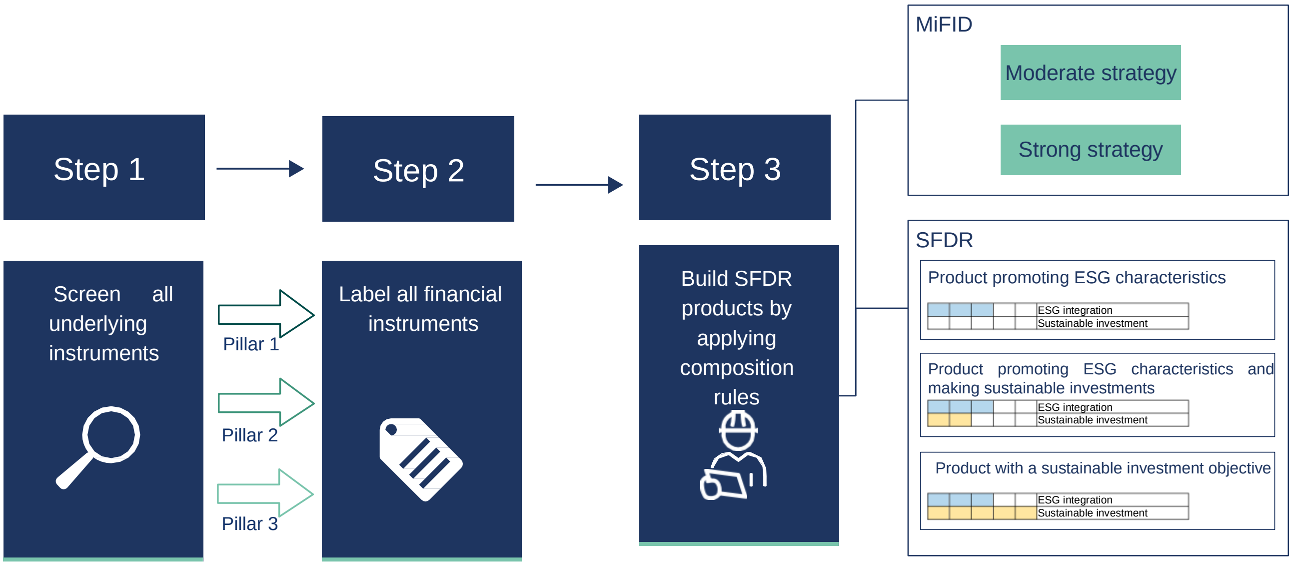
1. Screening financial instruments according to the three angles or pillars described above
2. Non-financial labelling of instruments (as a result of the analysis, the sustainability data fields have been completed for each instrument).
3. The composition of the SFDR product using predefined rules (“Composing”) and using the fact sheet updated in step 2.

The graphic below provides a visual illustration of how Bank Degroof Petercam composes its SFDR products. Based on the 3-step approach described, all instruments (including funds marketed by the DP Group and third-party funds* *SFDR products themselves) used in our universes are assigned 2 internal classifications:

- One relates to the integration of ESG characteristics (focusing on a first-class approach to ESG topics and risks); and
- The other relates to their sustainability value.

In the following step (step 3), specific ratios and thresholds are defined according to the characteristics of the SFDR product.

The SFDR product categories are designed to meet the transparency requirements of the Sustainable Financial Disclosure Regulation (SFDR). Nevertheless, in each SFDR product category, it is the responsibility of the financial market participant, as the maker, to concretely define the criteria that correspond to the objectives and ambitions of the product. Within this SFDR framework, the configuration specific to Bank Degroof Petercam is composed in such a way that at step 3 (composition of products), Bank Degroof Petercam applies the rule that the more ambitious the SFDR product category, the stricter the rules for the composition of the Bank’s portfolio (i.e. with higher requirements and thresholds). This configuration follows the same logic as the transparency requirements that SFDR imposes on related product categories.



https://www.degroofpetercam.com/fr-be/financement-durable

Extra-Financial Investment Process (EFIP)

Note: Degroof Petercam uses criteria and ratings from external data providers to support its extra-financial classification methodology. Degroof Petercam deliberately limits its own analysis of sustainability issues to a minimum.

5.2. STEP 1 - SCREENING WITH THE HELP OF DATA FROM ESG DATA PROVIDERS

This first step is based on three pillars.

- In the first pillar of our analysis, we carry out a normative screening that excludes:
  - Issuers involved in controversial activities (arms, tobacco, gambling, pornography);
  - Issuers that do not comply with the principles of the United Nations Global Compact;
  - Issuers exposed to serious environmental, social or governance controversies;
  - Issuers with an unsatisfactory corporate governance score (see below).

Note: the thresholds of involvement and classification scores most often come from our external suppliers and are explained in more detail in the relevant policy.

This pillar of analysis allows us to assess the degree of eligibility of a financial instrument (for which types of mandates and for which sustainability profiles is the instrument eligible or not). For funds, we use this pillar to identify managers with whom we will enter into dialogue regarding underlying positions that we consider problematic (also known as Fund Engagement - please visit our website to find out more about our policy on this).

- In the second pillar of analysis, we carry out what we call “extra-financial risk analysis” or “ESG integration”. We use a “best-in-class” approach to analyse investments, which means that we identify the best performers within a sector in terms of exposure to and management of environmental or social risks.

The instruments issued by these actors are called “ESG instruments”. All others will be classified in the “neutral” category. Finally, instruments issued by the “worst performers” in their sector will be classified as “non-ESG”.

In the composition of a discretionary management or investment advisory portfolio or a fund of products that promote environmental and/or social characteristics or have sustainable objectives, our rule is to hold a minimum of 33.5% “ESG” instruments and a maximum of 10% “non-ESG” instruments.

- In the third pillar of analysis, we carry out what we call “extra-financial impact analysis”. The purpose of this is to identify issuers of financial instruments whose economic activities can be described as sustainable. For funds, we check the extent to which they invest in sustainable instruments.

  The proportion of sustainable or impact investments is a minimum of 20% or a minimum of 50%, depending on the sustainability preferences you have indicated in your sustainability questionnaire.

  Points relating to the sustainability questionnaire and the management of suitability checks are not covered by this Sustainable Investment Policy (“GSIP”). These points are covered in our brochure “MiFID II: your sustainability preferences”.

5.3. STEP 2 - SUSTAINABILITY LABELLING (EXPANDING THE RANGE OF INSTRUMENTS BASED ON THE ANALYSIS CARRIED OUT IN STEP 1)

As depicted in the diagram of the extra-financial process, after the screening carried out in the first stage, we are now in a position to assign the appropriate sustainability labels to each instrument. Specifically, three types of information are provided, corresponding to the three angles or pillars analysed.

5.4. STEP 3 - PRODUCT MANAGEMENT

This last step corresponds to product management. Different rules apply depending on the SFDR classification (see 4.4.1 SFDR typology). These rules influence the composition of the SFDR product.

In practice, Degroof Petercam sets firm and binding criteria (defined by Degroof Petercam at global level, these criteria cannot be exceeded as such by a Private Banker, Portfolio Manager or Fund Manager).

These binding rules are described below.

5.4.1 Products that do not promote sustainable objectives and ESG characteristics

No specific rules apply here, as these SFDR products do not promote ESG characteristics and are not marketed as such.

As a rule, Degroof Petercam does not offer this type of product for discretionary portfolio management, except in the case of a very limited number of existing portfolios.

5.4.2 Products that promote ESG characteristics:

For this SFDR product (SFDR reference: Article 8), all of the underlying instruments comply with the principles of good corporate governance. This element is verified in pillars 1 & 2 of the screening and classification process.

A minimum of 33.5% of the underlying investments in this SFDR product are ESG-integrated, i.e. they comply with environmental and/or social criteria, and a maximum of 10% are “non-ESG” instruments (instruments that are not the best in their sector in terms of ESG).

5.4.3 Products that promote ESG characteristics and make sustainable investments

For this SFDR product (SFDR reference: Article 8), all of the underlying instruments comply with the principles of good corporate governance. This element is verified in pillars 1 & 2 of the analysis and classification process.

A minimum of 33.5% of the underlying investments in this SFDR product are ESG-integrated, i.e., they comply with environmental and/or social criteria, and a maximum of 10% are “non-ESG” instruments (instruments that are not the best in their sector in terms of ESG).

In addition, a proportion of this SFDR product’s investments are classified as sustainable, i.e., they contribute to environmental and/or social objectives. This sustainable investment allocation will be a minimum of 20% for clients with a moderate strategy (neutral or moderate sustainable profiles) and a minimum of 50% for clients with a strong strategy (strong sustainable profiles). These specific investments will also comply with the “do no significant harm” principle.

5.4.4 Products with a sustainable investment objective

These SFDR products (SFDR reference: Article 9) are subject, at a minimum, to all the same rules as the products described in 5.4.3. Accordingly, Degroof Petercam will ensure that all of the underlying instruments comply with the principles of good corporate governance. This element is verified in pillars 1 & 2 of the screening and classification process.

This SFDR product has a specific environmental or social objective based on underlying investments that are internally rated as sustainable; these investments represent almost all of the investments made. These specific investments will also comply with the “do no significant harm” principle.

6. Review of the global sustainable investment policy

The integration of ESG and sustainability factors is a positive and ongoing development for the financial industry. It will impact the entire value chain of funds and portfolios managed with the aim of being transparent to investors. This ongoing process will require regular adjustments.

As the regulatory environment and best market practice evolve, the current GSIP may be adapted and stakeholders will be invited to review it regularly in order to stay informed of the most recent changes.

Degroof Petercam, acting via the relevant business line, will conduct an annual review of its global sustainable investment policy.