Portfolio Global Balanced (European Investor)

Article 10 (SFDR)
Website disclosure for an Article 8
Discretionary Portfolio Management Mandate

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make 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 **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 10 % 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:** %	☐ It promotes E/S characteristics, but **will not make any sustainable investments.**

What environmental and/or social characteristics are promoted by this financial product?

As a DPM Product, the Portfolio management team investat least 51% of its investments in target funds which are classified at least in accordance with Article 8 or Article 9 of the Sustainable Finance Disclosure Regulation (SFDR) and which promote ecological and social characteristics. Furthermore, the product invests at least 10% of its investments in sustainable assets in the form of target funds (e.g. sustainable investments of funds which are classified in accordance with Article 9 of SFDR). Important sustainability factors are environmental, climate, social and employee concerns. Adverse effects in this regard can result, for example, from the financing and / or co-financing of business practices and fields that are to be classified as controversial. Controversial business practices would be, for example (but not exclusively), serious violations of environmental protection, human rights and / or corruption. Investments in controversial business fields, such as companies in the arms industry, will also be avoided. Furthermore, the aim is to invest exclusively in target funds that demonstrate good corporate governance.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

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

At least 51% of the target funds are funds pursuant to Article 8 or 9 of the SFDR of which at least 10% of the investments are sustainable. At least 51% of the target funds have good corporate governance, which is generally considered to be the case for Article 8 or 9 funds. Recognised databases such as Morningstar or Bloomberg serve as data sources for determining the categorisation of the target funds, in individual cases also the funds' websites.

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

The product invests at least 10% in sustainable investments in the form of target funds. These funds may pursue individual sustainability lines from the areas of ecology, social affairs or good corporate governance (for example clean water, or also other positive effects on society and the environment), or also a broad range of different objectives from these areas simultaneously.

- 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?

The classification of the target funds according to Article 9 has the effect that it is ruled out by regulatory means that the target funds significantly harm ecologically or socially sustainable investment objectives as all investments according to article 2.17 SFDR are subject to a Do-Not-Significantly-Harm Analysis. In addition, the allocated target funds also will pay attention to good corporate governance, which requires ethical and morally sound corporate governance and thus not only ensures compliance with sustainable investments in terms of the investment policy of the target fund, but also excludes significant harm in terms of environmental and social sustainability objectives.

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.

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

  These are automatically taken into account by investing exclusively in appropriately regulated target funds. Furthermore, the aim is to invest exclusively in target funds that demonstrate good corporate governance. In individual cases, the analysis of the website and / or fund prospectuses of the target funds ensures that the investment in a specific target fund does not lead to adverse effects on sustainability factors.

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

  These are automatically taken into account by investing exclusively in appropriately regulated target funds. Furthermore, the aim is to invest exclusively in target funds that demonstrate good corporate governance. In individual cases, an analysis of the website and/or fund prospectuses of the target funds may ensure that the investment does not run counter to the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

☒ **Yes,** however, there is only an implicit PAI consideration via the DNSH principle related to at least 10% of the target fund investments, which refer to Article 9 target funds. A general consideration of PAIs for the remaining investment assets is not provided for.

☐ No

What investment strategy does this financial product follow?

The product is actively managed. The product will not be managed using an index as a benchmark. The investment universe of the product comprises equity and bond funds investing globally, which have been subject to a systematic quantitative and qualitative selection process.The product will invest at least 51% of its assets in target funds that are compliant with Article 8 or Article 9 of Regulation (EU) 2019/2088. Investments in compliance with this Regulation will only be made in target funds that apply good corporate governance practices (e.g. the general exclusion criteria of the UN Global Compact or similar). The product shall invest at least 10% of its assets in sustainable investments within the meaning of Article 2(17) of Regulation (EU) 2019/2088.

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 each of the environmental or social characteristics promoted by this financial product?

  The product will invest at least 51% of its assets in target funds that are compliant with Article 8 or Article 9 of Regulation (EU) 2019/2088. Investments in compliance with this regulation are done exclusively in target funds that apply good corporate governance practices. For the remaining 49% of the assets, in the case of equivalent funds, only the funds with good corporate governance are considered for allocation. Good corporate governance practices in this case are assumed when compliance of target funds is given with either UN Global Compact, OECD Guidelines or International Labour Organization Exclusion Criteria. The product will invest at least 10% of its assets in sustainable investments within the meaning of Article 2(17) of Regulation (EU) 2019/2088.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

  The Product does not undertake to reduce the investment universe by any particular minimum rate.

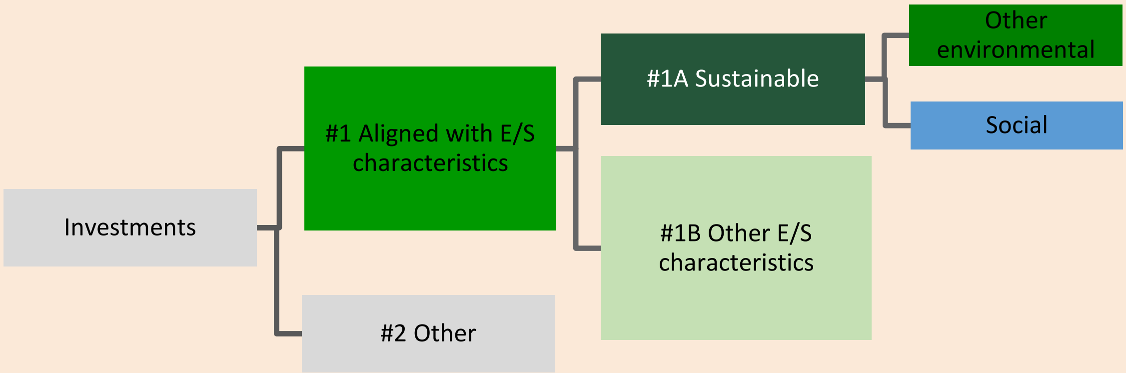
- What is the policy to assess good governance practices of the investee companies?

For Article 8 and Article 9 target funds, good corporate governance is automatically considered to be given. In the case of those target funds that are classified neither according to Article 8 nor Article 9, an attempt is made to obtain an insight into the extent to which the target funds pay attention to good corporate governance via data fields provided by generally recognised economic databases (e.g. Morningstar, Bloomberg). If the return/risk ratios of the target funds are equivalent, priority is then given in the allocation to a target fund that is known to pay attention to good corporate governance.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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.



#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**.** The minimum share of these investments is 51 %.

#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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives. The minimum share of these investments is 10 %.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

In case the product may use financial derivative instruments for investment and hedging purposes, derivatives will not be used to achieve the environmental or social characteristics promoted by the financial product.

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

As this Product is subject to Article 8(1) of Regulation (EU) 2019/2088, Article 6 of Regulation (EU) 2020/852 (EU Taxonomy) applies. The main objective of this product is to contribute to the pursuit of the E/S characteristics. Therefore, this Product does not currently commit to invest a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy Regulation (2020/852). This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10(2) of the EU Taxonomy Regulation (2020/852).

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

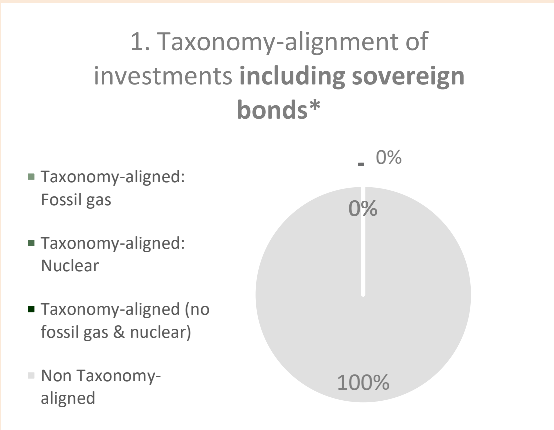
☒ No

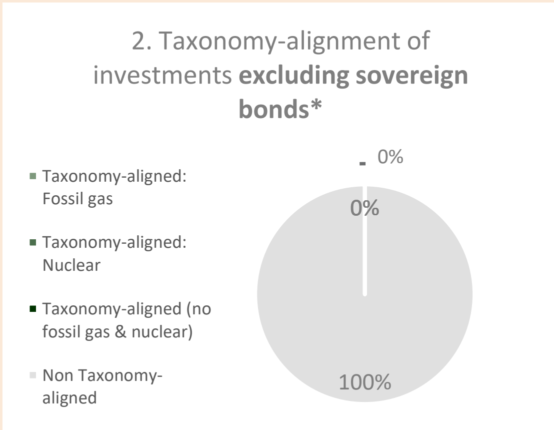
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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 greenhouse gas emission levels corresponding to the best performance.

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.





Taxonomy-aligned: Fossil gas	0%	Taxonomy-aligned: Fossil gas	0%
Taxonomy-aligned: Nuclear	0%	Taxonomy-aligned: Nuclear	0%
Taxonomy-aligned (no fossil gas & nuclear)	0%	Taxonomy-aligned (no fossil gas & nuclear)	0%
Non Taxonomy-aligned	100%	Non Taxonomy-aligned	100%

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

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

Transitional activities: 0%

Enabling activities: 0%

[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 objectives - 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.

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

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

As sustainable investments encompass both environmental and social objectives, it is not possible to set specific minimum shares for environmental and social investments in each case. The total share of sustainable investments in relation to environmental and social objectives of the product is at least 10%.

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 1%

What is the minimum share of socially sustainable investments?

As sustainable investments encompass both environmental and social objectives, it is not possible to set specific minimum shares for environmental and social investments in each case. The total share of sustainable investments in relation to environmental and social objectives of the product is at least 10%.
The minimum share of socially sustainable investments is 1%

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Target funds, hedging instruments, investments for diversification purposes, investments for which no data is available or cash for liquidity management. There are no minimum environmental or social safeguards with respect to this category of investments that only form a minor part of the total 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?

☐ Yes,
☒ No

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

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

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

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

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

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.moventum.lu/our-offer/wealth-management/moventum-asset-management