

ANNEX V

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: iMGP – SUSTAINABLE EUROPE

Legal entity identifier: 549300XUHN5CD5XSKQ73

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ ☒ ☒ **Yes**

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

61.77%

- ☒ 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 objective:** 37.65%

☐ ☐ ☐ **No**

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



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

The investment objective of the Sub-fund is to achieve capital growth over 5 years, by investing in the shares of European companies that provide solutions to sustainability challenges and falling within the following sustainable investment themes set by the Sub-Manager: (1) cleaner energy, (2) environmental services, (3) resource efficiency, (4) sustainable transport, (5) water management, (6) education, (7) health, (8) safety and (9) well-being.

The primary focus of the investment objective is sustainable investment (although capital growth is measured alongside). No benchmark has been selected to measure attainment of this objective, due to lack of availability of a suitably aligned benchmark for this strategy.

The investments made by the Sub-fund complied fully with this objective for the duration of the period under review.

● *How did the sustainability indicators perform?*

The Sub-Manager assessed the Sub-fund's portfolio on four main factors on a continuous basis: avoiding social harm; avoiding environmental harm; achieving social good; delivering environmental good. Against the "achieving social good" and "delivering environmental good" factors, the Sub-Manager measured a set of core indicators that relate directly to the sustainable investment objective of the Sub-fund. These core indicators include: carbon avoided (tonnes), renewable energy generated (MWh) waste recovered or recycled (tonnes), water treated / use avoided (litres), people receiving healthcare treatment (no. of patients). In addition, the Sub-Manager on occasion utilised additional non-core indicators to cover portfolio companies invested in as at the reporting date.

Using the most recently available data (based on the latest data as at 17 April 2024) an investment of €1m in 2023 was associated with:

- 216tCO₂e was avoided. This is equivalent to the electricity use of 121 average European homes for one year and saving €10,724 in avoided carbon costs.
- 417 MWhs of renewable energy was generated. This is equivalent to the annual electricity use of 36 European households.
- 28t of waste was recycled or recovered. This is equivalent to the annual waste produced by 25 European households and saving €2,458 in avoided landfill costs.
- Saving 348,740 litres of water. This is equivalent to the water used by 5,624 showers.
- 116 people receiving healthcare treatment.
- €22,066 spent on products and services supplied by companies in the strategy and used in healthcare R&D.

● *...and compared to previous periods?*

These reported impact numbers vary year on year for a number of reasons. This includes the increasing impact associated with growing sales of products and services that have a positive impact, changes in portfolio holdings and changes in the position size of companies held in the strategy throughout the period.

In general, environmental performance improved year on year. For example the amount of avoided carbon associated with a €1m investment in the strategy increased from 197tCO₂e to 215tCO₂e. The amount of renewable energy generated also increased from 328MWhs to 417MWhs. The litres of water saved also increased from 287,624 litres of water to 348,740 litres of water.

Equally however, the numbers of patients treated declined from 174 to 116.

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

These changes are primarily due to the changing allocations to the different social and environmental themes within the fund and are within the range of impacts that we hope to achieve.

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

The investment process analysed and assessed potential negative impacts at the product level (significant social and environmental impact). The Sub-Manager also integrated analysis of material ESG issues into its assessment of a company's operations using a Sustainable Accounting Standards Board (SASB) - derived framework and utilised third party screening to ensure portfolio holdings were in compliance with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. SASB standards highlight key sustainability information that is reasonably likely to affect the financial performance of a company within an industry. The Sub-fund's thematic structure means that it was largely absent from heavy footprint sectors which have a material environmental or social impact. The Sub-Manager did not invest in companies that would offend the Do No Significant Harm (DNSH) material criteria for the business as a whole. The DNSH criteria ensures that no portfolio company would significantly harm any of the six environmental objectives within the EU Taxonomy Regulation.

These six objectives are: climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; circular economy; pollution prevention and control and; protection and restoration of biodiversity and ecosystems.

The investment process as detailed above was applied for the duration of the period with no exceptions to report.

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

Each potential investment in the portfolio was subject to analysis of adverse impact indicators. The investment process analysed adverse impact indicators both at the product level as well as from company operations in order to assess each company against the DNSH criteria. The Sub-fund's strategy focuses on companies that sell products and services that provide solutions to sustainability challenges which means that the Sub-Manager considered adverse impacts from products as part of its overall assessment of the positive impact intensity of the products and services being supplied. For operational impacts, the Sub-Manager considered the range of environmental and social issues that are considered to be material to that particular business.

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

Yes. The investment process applied uses third party screening to ensure that portfolio holdings were in compliance with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Sub-Manager confirms that the sustainable investments were aligned with both the Guidelines and Principles.



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.

Principal adverse impacts were considered in the application of the Sub-Manager's investment process; the Sub-fund's thematic structure means that it was largely absent from sectors with major social and environmental impacts. Nonetheless, the Sub-Manager systematically integrated analysis of material ESG issues into its fundamental stock level analysis.



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 as at 31 December 2023

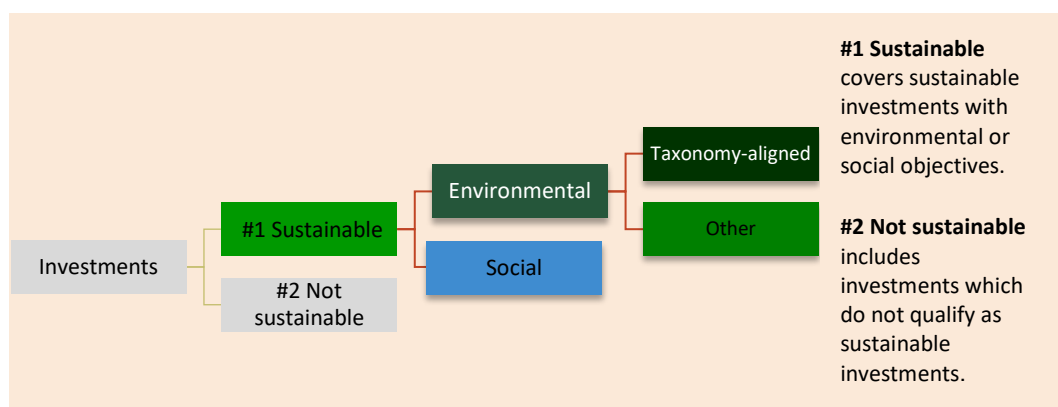
Largest investment	Sector	% Assets	Country
SWECO AB	Industrials	4.85%	SWEDEN
INFINEON TECH AG	Technology	4.76%	GERMANY
SCHNEIDER ELECTRIC SE	Industrials	4.71%	FRANCE
ARCADIS NV	Industrials	4.69%	NETHERLANDS
SPIRAX-SARCO PLC	Industrials	4.55%	UK
DASSAULT SYSTEMES SE	Technology	4.53%	FRANCE
BIOMERIEUX SA	Health Care	4.37%	FRANCE
L'AIR LIQUIDE SA	Materials	4.34%	FRANCE
DASSAULT SYSTEMES SE	Technology	4.63%	FRANCE
SIEMENS HEALTHINEERS AG	Health Care	4.23%	GERMANY
BUREAU VERITAS SA	Industrials	4.16%	FRANCE
NOVO NORDISK A/S	Health Care	4.05%	DENMARK
COLOPLAST A/S	Health Care	4.04%	DENMARK
STMICROELECTRONICS NV	Technology	4.38%	NETHERLANDS
GENMAB A/S	Health Care	3.45%	DENMARK



What was the proportion of sustainability-related investments?

The asset allocation is mostly in sustainable listed equities, with the remainder in cash and derivatives, as further described below. At all times the portfolio of listed equities will represent 100% of sustainable investments.

What was the asset allocation?



As at 31 December 2023:

- 99.5% of the Sub-fund's assets were invested in Sustainable listed equities, out of which:

- 61.77% related to securities having an environmental objective

- 37.65% related to securities having a social objective

10.4% of Sustainable investments are considered aligned with the EU Taxonomy, as developed further below.

- 0.5% of the Sub-fund's assets were invested in Not sustainable securities, which includes cash and derivatives.

In which economic sectors were the investments made?

As at 31 December 2023, the Sub-fund's investments were made in the following economic sectors:

Sectors	Expo %
Industrials	33.79%
Health Care	33.54%
Technology	17.72%
Materials	9.65%
Consumer Discretionary	2.16%

Asset allocation describes the share of investments in specific assets.

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

Cash & Others

0.46%



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

The percentage of Taxonomy aligned investments which contribute to the environmental objectives set out above complied with the Sub-fund's minimum target of at least 5%, calculated using company turnover.

The Sub-Manager expects that this figure will increase significantly over time as more data becomes available, and is calculated through a combination of internal research and verifiable third party sources.

The areas that the Sub-fund invested in that the Sub-Manager considers to be in environmentally sustainable economic activities include: Cleaner Energy such as wind and solar power, Environmental Services such as circular economy activities and the manufacture of sustainable materials, Resource Efficiency as such as energy efficient products, efficient buildings and efficient manufacturing technologies, Sustainable Transport including battery electric vehicles (BEVs) and infrastructure for BEVs, and Water Management such as wastewater treatment products and services.

The Sub-fund also invests in economic activities that the Sub-Manager considers to have a positive social impact. This includes in Education such as education technologies and provision, Health such as medical devices and therapies, Safety including products that keep people safe and that ensure products and services are safe, and Well-being covering activities supporting healthy eating, exercise and products and services supporting hearing, vision and oral health.

Not all these areas are covered by the current Taxonomy which only extends to two of the six environmental objectives. Furthermore, many of the Sub-fund's investments are in companies developing components that enable downstream carbon emission reductions. It is not currently clear whether all of these types of components are taxonomy eligible even though independent sources confirm that real world emission reductions are enabled by them.

The Sub-Manager has selected revenue as the KPI for assessing Taxonomy eligibility because it believes this is the most accurate way of assessing a business's current exposure to taxonomy eligible activities. The Sub-Manager believes that this is relevant to the Sub-fund investors for the same reason. The Sub-fund's investment proposition to investors is that it will invest in companies providing solutions to sustainability challenges. For over 17 years the Sub-Manager has used revenues to measure this and believe that it provides the most legitimate basis on which to judge whether a company is focused on delivering solutions to sustainability challenges.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?



Yes



In fossil gas



In nuclear energy



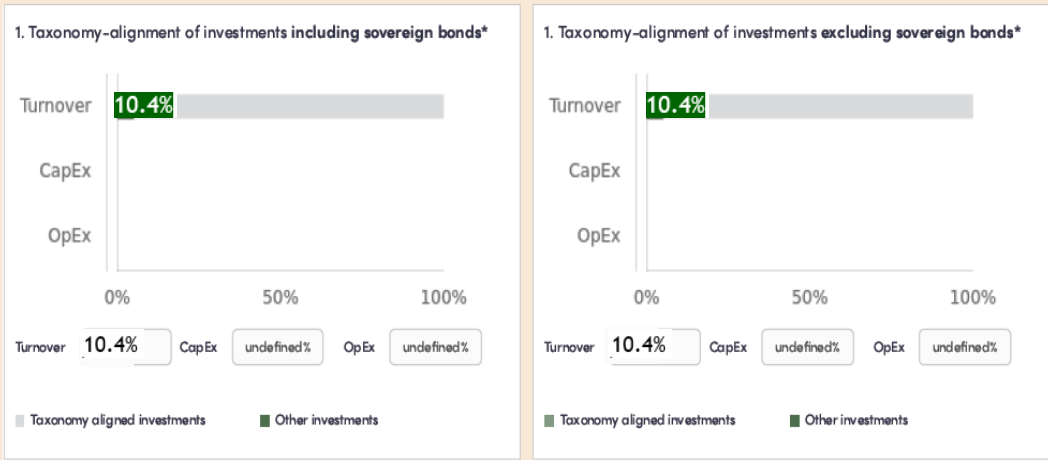
No

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 no significant harm to 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

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.



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

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

100% of Taxonomy aligned investments made would be considered as enabling. Investments made during the year complied with the minimum target of 5%, calculated using company turnover, which is expected to increase significantly over time as more data becomes available.

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

In 2023, such percentage increased as at the end of 2022, the percentage of investments aligned with the EU Taxonomy was 5%.



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

As at 31 December 2023, 89.6% of the Sub-fund's sustainable investments were not aligned with the EU Taxonomy (based on company turnover).

The proportion of taxonomy aligned investments is expected to increase over time as more data becomes available. The EU Taxonomy however, is currently only focused on two of six environmental objectives (as of the date this report refers to, this is, end of December 2023). The investments, for example, in circular economy businesses, and businesses that sell products and services that treat wastewater and protect the aquatic environment are not covered by the current Taxonomy which is focused on climate change mitigation and adaptation. For these companies, while clearly delivering a positive environmental impact, there is no taxonomy that is available to align with. In addition, the strategy of the Sub-fund is invested in businesses that operate outside of the European Union. These businesses do not typically comply with detailed product standards that are specific to the European Union and referenced in the EU Taxonomy. The Sub-Manager does not generally consider these companies to be taxonomy aligned

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

even where the products and services clearly deliver a positive environmental impact. Finally very few companies even in the European Union have yet published detailed accounts of their taxonomy alignment. The Sub-Manager would expect its overall alignment to increase over time once more data is available.



What was the share of socially sustainable investments?

All social themes in the Sub-fund have a social objective, and 37.65% of the Sub-fund's investments were in social themes.



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

“Not sustainable” includes the remaining investments of the financial product which are not qualified as sustainable investments. These include cash, money market instruments or similar instruments as well as derivatives. These investments do not follow minimum environmental and social safeguards.



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

The Sub-Manager's mission is to advance sustainability and create prosperity through positive impact investments. The Sub-Manager is an active owner of the companies that the Sub-fund invests in and integrates environmental, social and governance (ESG) issues into its ownership policies and practices.

The Sub-Manager engagement activity with companies is driven fundamentally by a desire to understand them better, and to advocate for practices that it believes will help secure the company's long-term success.

In addition, the Sub-Manager's proxy voting policies are intended to promote long-term shareholder value creation and risk mitigation at portfolio firms through support for responsible global corporate governance practices. The Sub-Manager's approach is based on a set of four core principles that apply globally: accountability, stewardship, independence and transparency.

Substantially all the work the Sub-Manager does during the year is focused on attaining the Sub-fund's sustainable investment objective.

In 2023, the Sub-Manager carried out various engagements with investee companies, details of which are available upon request.



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

Not applicable as no specific index has been designated as a reference benchmark to meet the sustainable investment objective.

- ***How did the reference benchmark differ from a broad market index?***
Not applicable
- ***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?***
Not applicable
- ***How did this financial product perform compared with the reference benchmark?***
Not applicable
- ***How did this financial product perform compared with the broad market index?***
Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.