



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 2

ANNEX

to the

Commission Delegated Regulation (EU) .../....

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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.

Product name: Sycomore Partners
Legal entity identifier: 969500QXA66RSG7W5229

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 will make a minimum of **sustainable investments with a social objective:** ___%

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 1% 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 promotes E/S characteristics, but **will not make any sustainable investments**



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

The Fund aims to achieve a significant return over a minimum recommended investment horizon of five years through a careful selection of European and International equities with binding ESG criteria and an opportunistic and discretionary variation in the portfolio's exposure to equity markets.

The Fund will target, *inter alia*, companies claiming a deep transformation strategy for sustainable development (product or service offering, or changes in its practices), with the purpose to support the environmental, social, societal and governance transformation of these companies.

No reference benchmark has been designated to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

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?**

The Fund will measure the attainment of each of the environmental or social characteristics using the following sustainability *inter alia*:

At investee level :

- **Investee companies’ SPICE rating:** SPICE¹ stands for Suppliers&Society, People, Investors, Clients and Environment. This tool assesses the sustainable performance of companies. It integrates the analysis of economic, governance, environmental, social and societal risks and opportunities in business practices and in the products and services offering of companies. The analysis takes into account 90 criteria from which a score between 1 to 5 per letter of SPICE is obtained. These 5 scores are weighted according to the company’s most material impacts.
- **On the societal side:** investments with a **Societal Contribution of products and services** above or equal to +30%. The Societal Contribution² metric combines the positive and negative societal contributions of a company’s products and services. The methodology draws on the societal aspects of the United Nations’ 17 Sustainable Development Goals (SDGs) and their 169 sub-goals (or targets). Companies associated with a Societal Contribution above or equal to the selected threshold therefore make a significant contribution to one or several of these SDGs or targets.
- **On the human capital side,** two metrics both addressing SDG 8 (“Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”), as well as SDGs 3, 4, 5 and 10 for the latter:
 - **Investments with a Good Jobs Rating** above or equal to 55/100. The Good Jobs Rating³ is a quantitative metric designed to assess – on a scale of 0 to 100 – a company’s overall ability to create durable and quality jobs for all, and particularly in areas (regions or countries) where employment is relatively scarce and therefore needed to ensure sustainable and inclusive economic growth.
 - **Investments with a Happy@Work Environment rating**⁴ above or equal to 4.5/5. The analysis framework provides a complete and objective assessment of the level of well-being at work, focusing on: purpose, autonomy, competence, working relations, and fairness.
- The Fund will partially make sustainable investments with an environmental objective, based on the following criterion: investments with a **Net Environmental Contribution**⁵ (NEC) above or equal to +10%. The NEC is a metric that measures the extent to which a company’s business model is aligned with the ecological transition and the climate change mitigation objectives. It ranges from -100% for businesses that are highly damaging to natural capital, to +100% for companies with a strong positive net impact. Companies associated with a NEC above or equal to the selected threshold therefore make a significant contribution to the ecological transition and the climate change mitigation objectives.
- Investee companies’ **sustainable development management rating**

¹ More information can be found on the website page indicated at the end of this document

² Ibid

³ Ibid

⁴ Ibid

⁵ Ibid

- Investee companies' **compliance with Investment Manager's SRI exclusion policy**
- Investee companies' **compliance with the controversy analysis process** of the Investment Manager
- Investee companies' **compliance with the PAI policy** of the Investment Manager

● ***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 Fund may partially make sustainable investments with a social objective, based on at least one of the following criteria:

- **On the societal side:** investments with a **Societal Contribution of products and services** above or equal to +30%.

- **On the human capital side,** two metrics both addressing SDG 8 ("Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"), as well as SDGs 3, 4, 5 and 10 for the latter:

- o **Investments with a Good Jobs Rating** above or equal to 55/100.

- o **Investments with a Happy@Work Environment rating⁶** above or equal to 4.5/5.

- o Companies associated with a Good Jobs Rating or a Happy@Work Environment rating above or equal to the selected thresholds therefore make a significant contribution to SDG 8.

The Fund may partially make sustainable investments with an environmental objective, based on the following criterion: investments with a **Net Environmental Contribution⁷ (NEC)** above or equal to +10%. Companies associated with a NEC above or equal to the selected threshold therefore make a significant contribution to the ecological transition and the climate change mitigation objectives.

● ***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?***

Four layers are implemented to avoid occurrence of significant harm to any environmental or social sustainable investment objective, on an ex ante basis, prior to any investment-decision.

Indeed, investments targeted by one or more of the criteria below will not be considered as a sustainable investment:

1. **As per the Mangement Company SRI exclusion policy** : activities are restricted for their controversial social or environmental impacts, as defined and revised annually in Sycomore AM's core policy (applicable to all Sycomore AM's direct investments), and in the Socially Responsible Investment Policy (SRI) policy (applicable to all open-ended UCITS, mandates and dedicated funds managed according to an SRI strategy) such as: violations of fundamental rights, controversial and nuclear weapons, conventional weapons and ammunitions, thermal coal, tobacco, pesticides, pornography, carbon-intensive energy generation, oil & gas.

⁶ More information can be found on the website page indicated at the end of this document

2. **Companies affected by a level 3/3 controversy** : identified based on the Investment Manager's thorough analysis of controversies. The most severe controversy classification (-3 on Sycomore AM's scale, which range from 0 to -3 such companies are considered in violation of one of the principles of the United Nations' Global Compact.

3. **SPICE rating below 3/5** : The SPICE methodology, through its 90 criteria, covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the draft Regulatory Technical Standards. A lower rating, below 3/5, indicates a lower sustainability performance on one or more adverse impacts.

4. **As per Sycomore AM's Principle Adverse Impact (PAI) policy**⁸ : a PAI policy applied to identify further potential significant harm across environmental and social matters targeted by the PAI indicators listed in Table 1 of Annex I is implemented. Companies meeting any exclusion criterion regarding GHG emissions, biodiversity, water, waste, gender equality, UN Global Compact principles/OECD Guidelines for Multinational Enterprises compliance, or controversial weapons, will be reported as "not sustainable".

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

Adverse impacts on sustainability factors involve indicators at two levels:

1. **For sustainable investments only**: a PAI policy directly drawing from indicators of Table 1 of Annex I and any relevant indicators in Tables 2 and 3.

2. **For all investments of the financial product**: the SPICE analysis framework, going through all issues targeted by all adverse sustainability indicators, with ability to use them to feed the analysis.

PAI policy: each sustainability factor targeted by Table 1 of Annex I was associated with an exclusion criterion:

Applicable to investee companies

o GHG emissions:

- Indicators #1-2-3-5-6 (GHG emissions scope 1, 2, 3, and total emissions; Carbon footprint; GHG intensity of investee companies ; Share of non-renewable energy consumption and production; Energy consumption intensity per high impact climate sector): for all sectors, GHG emissions are assessed adjusting for company size, relative to their sub-sector, and taking into account science-based decarbonization levels required to keep global temperature increase below 2°C compared to preindustrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change⁹ (IPCC). As a consequence, Sycomore AM's PAI approach to GHG emissions for all sectors relies on science-based target metrics: from the science-based target initiative (SBTi¹⁰) on the one hand, and on the temperatures computed by the Science-Based 2°C Alignment (SB2A¹¹) initiative on the other hand. Companies associated with a temperature exceeding the threshold set in

⁸ More information can be found on the website page indicated at the end of this document

⁹ https://unfccc.int/topics/science/workstreams/cooperation-with-the-ipcc/the-fifth-assessment-report-of-the-ipcc?gclid=CjwKCAjw7p6aBhBiEiwA83fGupjyovLRq1NKs9o5UtlotAQQcswzZD30tofiDkgryZ8SlJHtnG5y4BoCEiwQAvD_BwE

¹⁰ <https://sciencebasedtargets.org/>

¹¹ <https://icebergdatalab.com/solutions.php>

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.

the PAI policy are deemed to significantly harm the climate change mitigation objective.

- Indicator #4 (exposure to companies active in the fossil fuel sector): companies active in the fossil fuel sector are addressed by Sycomore AM's exclusion policy.

- o **Biodiversity:**

- Indicator #7 (Activities negatively affecting biodiversity-sensitive areas), complemented by indicator #14 of Table 2 (Natural species and protected areas): these two indicators send a signal that activities in biodiversity-sensitive areas without appropriate mitigation measures might occur. Companies for which this is confirmed are deemed to significantly harm the objective of protection and restoration of biodiversity and ecosystems. The detailed process for confirming excluded companies is provided in the PAI policy.

- o **Water:**

- Indicator #8 (Emissions to water): for companies reporting emissions exceeding the threshold set in the PAI policy, further investigation is made on the impact on stakeholders of past emissions, based on controversy reviews. A severe impact not yet fully addressed by the company is deemed to significantly harm the objective of sustainable use and protection of water and marine resources.

- o **Waste:**

- Indicator #9 (Hazardous waste and radioactive waste ratio): for companies reporting quantities exceeding the threshold set in the PAI policy, further investigation is made on the impact on stakeholders of waste generated, based on controversy reviews. A severe impact not yet fully addressed by the company is deemed to significantly harm the objective of pollution prevention and control.

- o **UN Global Compact principles/OECD Guidelines for Multinational Enterprises compliance:**

- Indicator #10 (Violations): The aforementioned controversy analysis framework implemented by Sycomore AM precisely aims at identifying violations of these international standards.

- Indicator #11 (Lack of processes and compliance mechanism to monitor compliance): lack of processes and compliance mechanism to monitor compliance with these international standards is a signal that further due diligence is necessary to conclude on the likeliness of potential violations. More stringent requirements throughout the SPICE analysis, in particular related to Society (S), People (P) and Clients (C) stakeholders, defined in the PAI policy, are then implemented. Any company failing the test will be deemed to significantly harm one or more social objectives.

- o **Gender equality:**

- Indicator #12 (Unadjusted gender pay gap): Companies associated with an unadjusted gender pay gap exceeding the threshold set in the PAI policy are deemed to significantly harm the social objective of tackling inequality.

- Indicator #13 (Board gender diversity): Companies associated with a share of women seating on the company's Board below the threshold set in the PAI policy are deemed to significantly harm the social objective of tackling inequality.

- o **Controversial weapons:** exposure to controversial weapons is specifically addressed by Sycomore AM's exclusion policy.

Applicable to sovereigns and supranationals:

- o **GHG intensity** (indicator #15): GHG intensity is part of the analysis of sovereigns, described in Sycomore AM's ESG integration policy, that allows to exclude low performers across a range of environmental, social and governance matters.
- o **Investee countries subject to social violations** (indicator #16): similarly, the analysis framework applicable to sovereigns addresses adherence to the Charter of the United Nations. In addition, a set of indicators allows to assess government practices in terms of sustainable development and governance, including in particular corruption, human rights and social inclusion.

SPICE rating:

The SPICE methodology, through its 90 criteria, covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the Regulatory Technical Standards.

Out of the 46 adverse sustainable indicators applicable to investee companies – excluding one item dedicated to bond investments (14 principal adverse impact indicators listed in Table 1, as well as 32 additional adverse impact indicators listed in Table 2 and Table 3), 42 indicators (23 environmental indicators and 19 social indicators) tackle adverse impacts reviewed during the SPICE analysis, and 4 indicators (1 environmental indicator and 3 social indicators) relate to adverse impacts targeted by Sycomore AM's exclusion policy.

More specifically, Sycomore AM's fundamental analysis model SPICE, is an integrated model, allowing to get a holistic view of companies of the investment universe. It was built taking into account OECD guidelines for Multinational Enterprises. It fully integrates ESG factors to capture how companies are managing adverse impacts as well as key sustainable opportunities following a double materiality approach.

Examples of matching between adverse impacts and SPICE items include inter alia:

Society & Suppliers (S): The S rating reflects the performance of the company with respect to its suppliers and civil society. Analysis relates to the societal contribution of products and services, corporate citizenship, and the outsourcing chain. Adverse sustainability indicators including lack of a supplier code of conduct, insufficient whistleblower protection, lack of a human rights policy, lack of due diligence, risks related to human beings trafficking, child labour or compulsory labour, cases of severe human rights issues, and risks related to anti-corruption and anti-bribery policies, tackle adverse impacts addressed within the Society & Suppliers section.

People (P): The P rating focuses on a company's employees and its management of human capital. The assessment of the People pillar covers the integration of people-related issues, employees' fulfilment (Happy@Work environment), and measurement of employee engagement. Adverse sustainability indicators including unadjusted gender pay gap, board gender diversity, workplace accident prevention policies and health & safety indicators, employee's grievance mechanisms, discrimination, and CEO pay ratios tackle adverse impacts addressed within the People section.

Investors (I): The I rating focuses on the relation between companies and their shareholders. The rating is assigned based on an in-depth analysis of the company's shareholder and legal structure and of the interactions and power balance between different players: management, shareholders and their representatives, directors. Analysis targets the business model and governance. Among adverse sustainability

indicators, lack of diversity at board level and excessive CEO pay-ratio tackle adverse impacts addressed in that section.

Clients (C): The C rating focuses on the company's clients as stakeholders, analyzing the offer made to clients as well as customer relationship.

Environment (E): The E rating assesses how the company stands with regards to natural capital. It accounts for management of environmental issues as well as positive or negative externalities of the company's business model. The operations environmental footprint subsection addresses adverse impacts targeted by adverse sustainability impact indicators including greenhouse gas emission indicators, energy consumption, air pollution indicators, water, waste and material emissions, as well as biodiversity indicators. Sustainability impact indicators including carbon reduction initiatives and fossil fuel activities tackles adverse impacts that are addressed by the Transition Risk subsection of that E section.

Exclusion policy: Finally, Sycomore AM's exclusion policy targets adverse sustainability impact indicators including controversial weapons, exposure to fossil fuel sector, chemical pesticide production, and more broadly was drafted to target companies in breach of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Once the analysis – SPICE analysis including review of controversies, exclusion policy compliance, PAI policy compliance – is performed, it impacts investment decisions in the following ways:

- As indicated in the previous question, it provides a safeguard against significant harm to any sustainable investment objective, by excluding companies not meeting minimum safeguard requirements;

- It also impacts the financial investment case in two ways: 1. assumptions related to the company's prospects (growth and profitability forecasts, liabilities, M&A, etc.) can be fed by certain SPICE outputs as relevant, and 2. some core assumptions of valuation models are systematically linked to SPICE outputs.

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

The development of Sycomore AM's analysis framework "SPICE" as well as the exclusion policy have been inspired by the OECD's Guiding Principles for multinational companies, the United Nations' Global Compact, the International Labour Organization's international standards and the UN Guiding Principles on Business and Human Rights. To assess the fundamental value of a company, analysts systematically examine how a firm interacts with its stakeholders. This fundamental analysis is designed to understand strategic challenges, business models, management quality and degree of involvement, and the risks and opportunities faced by the company. Sycomore AM has also defined its Human Rights Policy in compliance with the UN Guiding Principles on Business and Human Rights.

Despite the above-described due diligence set to detect potential breaches of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, actual compliance of the analyzed issuers can never be guaranteed.



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



Yes, as indicated in the previous sub-section:

o Principal adverse impacts, as well as all other adverse impacts, are considered for any investment of the portfolio through SPICE analysis and outputs, complemented by Sycomore AM's exclusion policy.

o In addition, to qualify as a sustainable investment, any investment must comply with the PAI policy specifically addressing principal adverse impacts.

Information on principal adverse impacts on sustainability factors shall be made available in the annual report of the fund.



No



What investment strategy does this financial product follow?

The Fund's investment strategy is based on the option given to the management team to vary, on an opportunistic and discretionary basis, the portfolio's exposure to the European and International equity markets (excluding emerging markets) from 0% to 100% of net assets, while complying with the requirements of French plans d'épargne en actions (PEA), i.e. the French personal equity savings plan.

Equities are selected based on a thorough fundamental analysis of companies, without sector or capitalisation restrictions, but according to the following geographical restrictions:

- Equities from issuers with their registered office in the European Union, Switzerland and/or the United Kingdom may represent up to 100% of the Fund's net assets;

- Equities from issuers headquartered outside these countries can represent up to 20% of the Fund's net assets, of which at most 10% in emerging countries.

This process aims to identify quality companies whose market valuation is not representative of their intrinsic value as determined by the management team.

ESG (Environment, Social, Governance) analysis is a fully integrated component into the fundamental analysis of companies in the Fund's investment universe, conducted according to our proprietary analysis and 'SPICE' rating methodology. SPICE is the acronym for the global, financial and extra-financial methodology of analysis of Sycomore AM. In particular, it aims to understand how the value created by a company is allocated among all its stakeholders (investors, environment, customers, employees, suppliers and civil society). The Management Company believes that an equitable sharing of value between the stakeholders is an important factor in the development of a company.

The investment universe of the Fund is built according to specific criteria into the overall SPICE methodology (see next item on binding elements of the investment strategy).

The application of this methodology leads to the award of a SPICE rating between 1 and 5 (5 being the highest rating). This rating has an impact on the risk premium of companies and therefore their price targets which are the result of the valuations carried out by our team of manager-analysts. The SPICE analysis permanently concerns the portion of the Fund's net assets invested in equities (excluding all other eligible assets and in particular UCIs, money market instruments, derivatives and cash).

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?***

Two main filters, one of exclusion and one of selection, are used.

- **A filter of selection:** Its objective is to favour companies with sustainable development opportunities that meet both of the following conditions on a cumulative basis:

1. **Companies claiming a deep transformation strategy for sustainable development** (product or service offering, or changes in its practices). The Fund's purpose is to support the environmental, social, societal and governance transformation of these companies. The areas for improvement identified by the management company must be met within a maximum period of three years.

2. **Companies with a SPICE rating greater than or equal to 2.5/5.**

- **A filter of exclusion:** any company which presents risks in terms of sustainable development. Identified risks include inadequate non-financial practices and performance likely to jeopardize the competitiveness of companies. A company is thus excluded if:

1. it is involved in activities identified in Sycomore AM SRI **exclusion policy** for their controversial social or environmental impacts, or
2. obtained a **SPICE rating** strictly below 2.5/5, or
3. if the company is affected by a **level 3/3 controversy** .

In addition, the fund can make:

- Investments in companies which obtained a **SPICE rating** equal or above **3.5/5** and do not fall under the exclusion criteria mentioned above;

- Sustainable investments. Any sustainable investment must comply with the aforementioned criteria related to environmental or social contribution, to the do-no-significant-harm principle, and the criteria described below related to good governance.

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

Following the application of the investment strategy, the fund's eligible investment universe is thus reduced by at least 20% compared to the initial universe, i.e. equities listed on international markets (mainly European markets).

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

Governance is part of the SPICE analysis, including a dedicated governance section (“G” section) within the “I” section involving a significant focus on management structures, and governance items embedded into the other parts of the analysis framework, notably employee relations and remuneration of staff within the “P” section, and tax practices within the “S” section. Overall governance of issues associated with each type of stakeholder (Society, People, Investors, Clients and the Environment) is addressed in each according section.

Further requirements to exclude from the investable universe insufficient governance practices from the “G” section, associated with a minimum threshold, can be found in Sycomore AM’s exclusion policy.

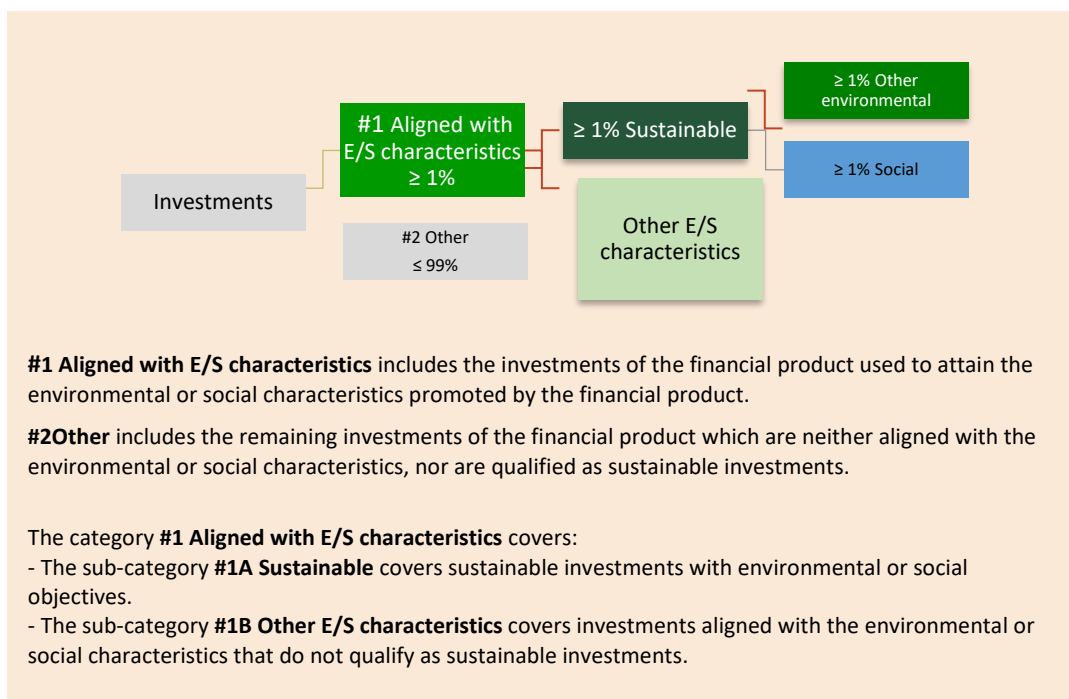
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

Aforementioned 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, are required for any investment of the Fund (excluding cash or derivatives held for liquidity purposes).

Asset allocation describes the share of investments in specific assets.



It is worth noting that the percentages mentioned in the graph above are expressed in relation to the fund's net assets. When it comes to the fund's investments in companies, the fund commits to invest a minimum of 25% in companies qualifying for sustainable investments under the conditions set forth in this document, i.e. 25% of invested companies will be sustainable investments.

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**

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

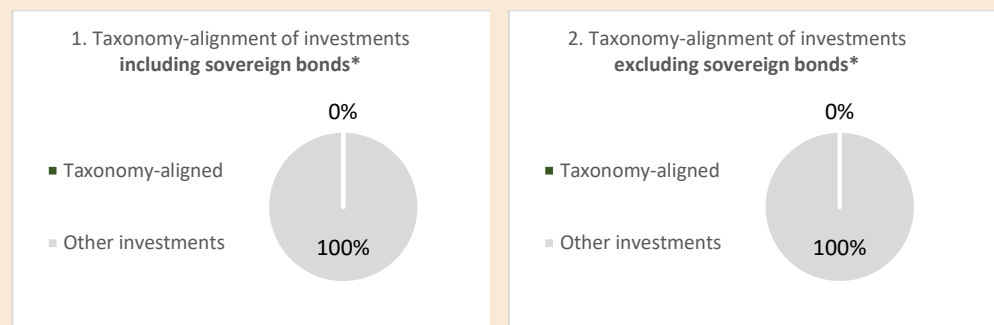
The policy for using derivatives, whose underlying assets are subject to the SPICE analysis process, is compatible with the objectives of the Fund and consistent with its inclusion in a long-term perspective. It is not intended to significantly or permanently distort the ESG selection policy. The use of derivatives is limited to techniques allowing for efficient management of the portfolio of securities in which the Fund is invested. The Fund may not hold a short position in any asset selected as ESG, according to its own method of ESG asset selection.



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

N/A

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



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

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.

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

N/A

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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund makes a minimal commitment regarding a minimum share of investments in sustainable investments with an environmental objective (1%).

However, the fund commits to have a minimum of 25% of invested companies qualifying for sustainable investments, either with an environmental or a social objective.



What is the minimum share of socially sustainable investments?

The Fund makes a minimal commitment regarding a minimum share of investments in sustainable investments with a social objective (1%).

However, the fund commits to have a minimum of 25% of invested companies qualifying for sustainable investments, either with an environmental or a social objective.



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

Investments included under “#2 Other” (not aligned with E/S characteristics) relate to derivatives used for hedging purpose, to cash held as ancillary liquidity or to cash equivalent such as sovereign bonds.

Bonds, other international debt securities and short-term negotiable securities from public issuers are selected through an in-house rating of the issuing State strictly above 2.5 on a scale of 5 (5 being the highest rate), the State being thus considered as sufficiently sustainable and inclusive.

Cash and derivatives held for hedging purpose, by nature, are not subject to any minimum environmental or social safeguards.



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?

There is no 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.

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://en.sycomore-am.com/funds/31/sfs-sycomore-partners>