

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

Product name: PERGAM FUNDS - Compartiment PERGAM ACTIVE DIVIDEND
Legal entity identifier: 969500U56IOH37H3Y995

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes
 No

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> 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 ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments
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What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes environmental and social characteristics in the selection and monitoring of securities through the application of an exclusion policy and the consideration of issuers' Environmental, Social and Governance (ESG) criteria. PERGAM integrates ESG analysis alongside conventional financial analysis to identify the sustainability risks of issuers in the investment universe. PERGAM has defined ESG criteria common to all listed issuers, regardless of country or sector of activity. In addition to these mandatory criteria, PERGAM may, on a case-by-case basis, add indicators that it considers to be important for individual issuers.

PERGAM also applies a filter of sectoral and normative exclusions, in accordance with its exclusion policy, which is available on its website www.pergam.net.

In addition, PERGAM excludes the most controversial companies from the investment field as part of its selection of companies' ESG ratings. Controversies are also constantly monitored in the portfolio.

A "best in universe" approach is thus applied, favoring issuers with the best extra-financial ratings within the investment universe, resulting in a reduction of the initial universe by at least 20% of issuers with the worst ESG ratings.

The extra-financial analysis rate is greater than: 90% for equities issued by large-cap companies headquartered in "developed" countries, debt securities and money-market instruments with investment-grade credit ratings; 75% for equities issued by large-cap companies headquartered in "emerging" countries, equities issued by small- and mid-cap companies, debt securities and money-market instruments with high-yield credit ratings, and sovereign debt issued by "emerging" countries.

This rate refers to the capitalization of the sub-fund's net assets, excluding bonds and other debt securities issued by public or quasi-public issuers, hedging derivatives, exposure derivatives held on an ancillary basis, and cash held on an ancillary basis.

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

PERGAM has set up an internal methodology for assessing ESG opportunities and risks at the level of each issuer. The proprietary ESG analysis model is based on external data supplied by service providers specialized in the evaluation and monitoring of ESG practices.

The weighting of each of the E, S and G pillars is established in the issuers' overall ESG score (30% E, 30% S and 40% G). Then, for each of the 3 pillars, PERGAM has selected key common Environmental, Social and Governance indicators, broken down into several themes.

Environmental: As an example of the indicators taken into account, Climate change policy, GHG emission reduction initiative, Water treatment policy, Waste reduction policy, Evolution of GHG emission score scopes 1 and scope 2....etc

Social: As an example of the indicators taken into account, Social management of the supply chain, Training policy, Health and safety policy, Policy on equal pay for men and women, Signatory of the UN Global Compact....etc

Governance: As an example of the indicators taken into account, Percentage of women on the board, Ethics policy, Corruption policy, Percentage of independent directors, Percentage of attendance at meetings....etc

To arrive at a final ESG rating, the weighted average of individual scores for the main environmental, social and governance issues is calculated, ranging from 0 to 5 (0 being the worst and 5 the best).

In addition to these key indicators, PERGAM may, on a case-by-case basis, add indicators it deems important for specific issuers or sub-fund strategies.

In addition to these indicators, PERGAM will monitor the improvement of the following 3 indicators:

- Environmental: Evolution of the GHG emission score for scopes 1 and 2
- Social: Training policy

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

Asset allocation describes the share of investments in specific assets.

- Governance: Percentage of women on the board

- **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 has not set targets for sustainable investments

- **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?**

As the Fund does not pursue a sustainable investment objective, this criterion is not taken into account in its management

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

Not applicable

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

Not applicable

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, _____

No

As PERGAM is a management company with fewer than 500 employees, PAI is taken into account on a voluntary basis. The management company is therefore not obliged to take negative sustainability impacts into account.

The data currently available do not allow us to ensure that negative impacts on sustainability factors are fully taken into account, and the process of prioritizing the negative impacts of these investments has not yet been fully completed.

At this stage, PERGAM cannot therefore measure all the effects of these impacts and take into account all the IAPs. However, PERGAM already takes into account some of the PAIs, which are the indicators applied to this compartment.

The decision to take into account all the PAIs may be re-examined in the future.



What investment strategy does this financial product follow?

Within the framework of discretionary management on international equity markets, the management objective of the Lauxera HealthTech sub-fund is to outperform the Bloomberg World Large, Mid & Small Cap Net Return Index on an annual basis, net of fees, by investing in equities or equity-linked securities of international companies of all capitalization sizes operating in the healthcare sector.

The Fund's financial strategy also systematically incorporates an extra-financial approach, as described below, although this is not a determining factor in investment decisions.

The initial investment universe includes stocks from the Bloomberg World Large, Mid & Small Cap Net Return Index, as well as issuers from the healthcare sector, according to the management team's analysis.

The investment universe of the financial product is filtered upstream according to the ESG process, which is based on the following three steps:

- Sectoral and normative exclusion filter:

In accordance with its exclusion policy, PERGAM excludes from all its investments issuers involved in the production of recreational cannabis, tobacco, controversial armaments within the meaning of the Ottawa and Oslo Conventions, thermal coal, unconventional hydrocarbons, tax evasion and fraud, etc.

- Exclusion of controversial issuers:

Controversies are rated on a scale of 1 to 5 according to their impact and severity. The financial product may not invest in companies that are subject to level 5 controversies, deemed to be very severe (a list containing, among others, companies guilty of a proven violation of one or more of the ten principles of the United Nations Global Compact). - Issuer selection based on ESG performance:

The ESG performance of issuers is obtained using a "best in universe" approach. ESG analysis is based on evaluation criteria in the three areas of Environment, Social and Governance to rate issuers' ESG performance. This ESG rating is obtained as follows:

The weighting of each of the E, S and G pillars is established in the issuers' overall ESG score (30% E, 30% S and 40% G).

Then, for each of the 3 pillars, PERGAM has selected key common Environmental, Social and Governance indicators, broken down into several themes as described in the question "Which sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product?".

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

To arrive at a final ESG rating, the weighted average of individual scores for the main environmental, social and governance issues is calculated, ranging from 0 to 5 (0 being the worst and 5 the best).

The final ESG score is then used to rank issuers according to the rating awarded.

The application of these three filters results in the exclusion of a minimum of 20% of issuers from the initial investment universe, bearing in mind that bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis and hedging derivatives are not taken into account.

Further details on the management company's extra-financial analysis can be found in the ESG investment and exclusion policies available on the www.pergam.net website.

- ***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?***

As detailed in the previous points, the filter of sectoral and normative exclusions, the selection of issuers based on their ESG rating, and the exclusion of issuers based on their level of controversy are constraining elements of the investment strategy used to select investments, as they reduce the investment universe.

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

The selective approach implies a minimum 20% reduction in the investment universe.

Furthermore, within the portfolio, a minimum of 80% of the Fund's investments are selected by Pergam on the basis of Environmental, Social and Governance criteria

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

PERGAM believes that good corporate governance, and the extent to which companies take their social and environmental responsibilities into account, are linked to their long-term economic performance. Corporate governance is the third pillar measured by an issuer's ESG score.

Good governance practices are assessed by our Pillar G, which analyzes the composition, independence and involvement of the board of directors, risk management processes (ethics and corruption) and controversies.

What is the asset allocation planned for this financial product?

The financial product invests a minimum of 80% of the portfolio in assets that have been deemed "eligible" according to the ESG process in place, i.e. in investments that are aligned with the environmental and social characteristics promoted (#1 Aligned with I/S characteristics). Up to 20% of investments are not aligned with these characteristics (#2 Other). The financial product invests at least 0% of its assets in assets that have been deemed to be sustainable investments (#1A Sustainable)



Asset allocation

describes the share of investments in specific assets.

Good governance

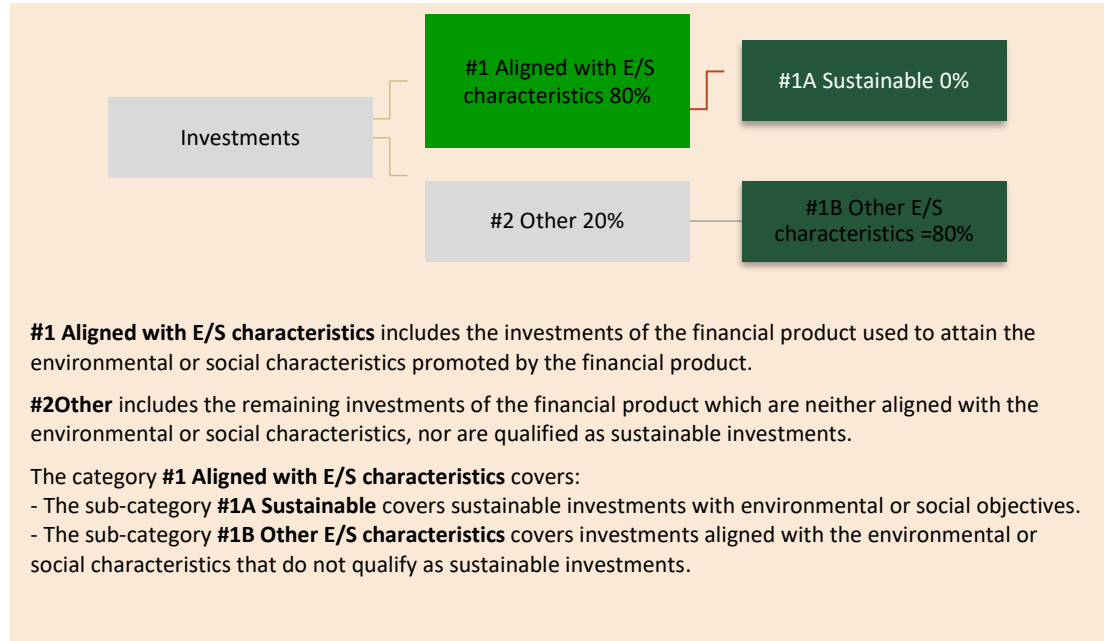
practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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.

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

The Fund may use forward financial instruments for hedging or commitment purposes, in accordance with its prospectus. Environmental or social characteristics may be modified by the use of derivatives, depending on their sensitivity to issuer risk. However, the management company does not measure these and considers that they do not apply to derivatives, but only to the selection of securities.



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

The Fund promotes certain environmental, social and governance characteristics within the meaning of Article 8 of Regulation 2019/2088 of November 27, 2019 (known as the SFDR Regulation), nevertheless the investments of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

These investments may contribute to environmental or social objectives, without any commitment as to the minimum share of each. The minimum commitment to align the Fund with the Taxonomy Regulation is currently 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply 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 not significantly harm 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.

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

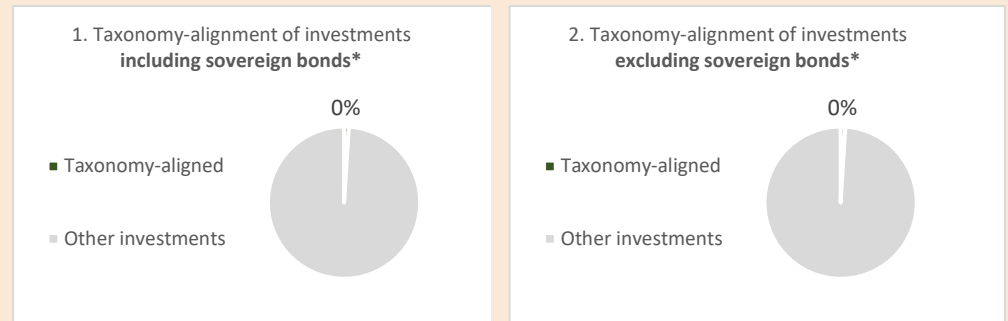
Enabling activities

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.



* 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?

To date, the minimum share of investments in transitional and enabling activities is 0%.



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

To date, the Fund is not committed to investing a minimum share of sustainable investments with an environmental objective as defined in the Taxonomy Regulation. The minimum share of aligned investments is therefore 0%.



What is the minimum share of socially sustainable investments?

At present, the Fund is not committed to investing a minimum of its sound share in socially sustainable investments. The minimum share of aligned investments is therefore 0%.



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

Investments included in the "#2 Other" category of the financial product represent up to 20% of investments and are forward financial instruments (derivatives) traded on regulated or organized markets, to expose and hedge the portfolio, cash and cash equivalents, and unrated issuers. Derivatives and cash do not offer environmental or social guarantees



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?

No benchmark has been designated to achieve the environmental or social characteristics promoted by the fund.

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

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

Where can I find more product specific information online?



More product-specific information can be found on the website: www.perqam.net