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

Product name: STILGAR GLOBAL DATA Legal entity identifier: 969500WXE980N58YOR13

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:** 0%	☐ 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 0% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ 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:** 0%	☑ It promotes E/S characteristics, but **will not make any sustainable investments**

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

We hold the dual conviction that it is our responsibility to contribute to a "One Health" objective, and that companies improving their ESG (Environmental, Social, and Governance) impacts exhibit better risk management and greater resilience to market fluctuations. The creation of added value brought by solid ESG practices is an element of outperformance that Stilgar AM aims to capture as an active investor. Therefore, ESG analysis is an integral part of our investment process.

The Stilgar Global Data fund adopts an investment strategy that integrates ESG criteria into the selection and monitoring of issuers. Our approach relies on five pillars: Screening – Analysis & Evaluation – Selection – Engagement – Voting.

The common foundation rests on a normative and sector exclusion policy. The investment universe consists of all monitored issuers (equities and bonds of private or sovereign nature). Each is studied under two filters:

- Normative and sector exclusion policy filter
- Exposure to severe controversy on environmental, social, and governance issues, or a critical risk of serious violation of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Following these filters, issuers are analyzed and rated according to the Management Company's proprietary methodology, with a target evaluation coverage of at least 90% (75% for issuers where information is less easily accessible, such as small and medium capitalizations and those based in emerging countries).

The approach is defined as "rating improvement": the weighted average ESG evaluation of the portfolio is at all times higher than the average ESG evaluation of the initial investment universe, after excluding issuers subject to exclusion policies (normative and sector).

This evaluation serves as a compass to guide dialogue and the improvement of ESG practices with issuers. It allows us to precisely identify each company's ESG strengths and weaknesses, which we share in accordance with our engagement policy, focusing on three improvement axes centered on material issues for each company, monitored throughout the investment duration. Dialogue with each company is tailored to its material issues, size, and market.

Our ESG methodology is structured around the following pillars:

- Governance
- Planet
- Employees
- Suppliers
- Society

Since ESG analysis is an integral part of our investment process, any decision to increase or decrease positions takes into account the evolution of the internal ESG rating.

In the event of a major controversy or critical risk of violation of international standards (UN/OECD), the Management Company immediately re-examines the investment file to verify the validity of the facts and assess the materiality of the risk. The formal escalation process depends on the severity of the situation:

- Critical controversy (Maximum level / Proven breach of normative filters): Triggers a mandatory divestment procedure. Position exit is initiated immediately and completed within a timeframe aimed at ensuring quality execution, in the exclusive interest of unit-holders and market liquidity conditions.
- Sectoral or operational controversy (Lower levels): The issuer is placed under surveillance and constructive shareholder dialogue is engaged. Failing concrete improvement in the company's practices or in the absence of transparency within 6 months, the Management Company proceeds to sell the security under market conditions.

No specific index has been designated as a reference benchmark to determine whether this financial product is aligned with the E/S characteristics 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 weighted average ESG score of the portfolio must permanently remain higher than that of Stilgar Asset Management's global evaluation universe.

For more details on associated constraints, refer to the ESG methodology available on the website www.stilgar-am.com.

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 a sustainable investment objective of 0%.

The fund promotes E/S characteristics without pursuing a sustainable investment objective within the meaning of Article 9 of SFDR. The sections concerning "do no significant harm" and alignment with OECD/UN principles apply to investments in the #1A Sustainable category only.

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?

Not applicable, the fund has a sustainable investment objective of 0%.

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?

Not applicable, the fund has a sustainable investment objective of 0%.

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.

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

Not applicable, the fund has a sustainable investment objective of 0%.

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

- [x] Yes
- [ ] No

The Management Company considers principal adverse impacts (PAI) on sustainability factors through its proprietary ESG analysis and evaluation process.

Effective consideration of these indicators remains dependent on the availability, publication, and reliability of data. In the absence of published or estimated data deemed sufficiently reliable for a specific PAI indicator for a given issuer, the Management Company relies on a qualitative substitute analysis or, where appropriate, applies a principle of prudence in evaluating the company. An issuer's lack of transparency on these key issues is itself a factor degrading its overall ESG evaluation.

Quantified results and actual data coverage are published annually in the Fund's periodic annex.

Consideration of principal adverse impacts does not lead to the systematic application of exclusion thresholds based on each PAI indicator, but constitutes an element of the overall investment and ESG risk management process

What investment strategy does this financial product follow?

The Stilgar Global Data fund implements an international thematic equity management strategy, centered on artificial intelligence, data, and new technologies. The investment universe consists of companies positioned in these themes globally (including emerging markets), across all market capitalizations.

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

The investment process integrates an extra-financial approach applied to long positions in direct securities (equities and debt securities). Although ESG is not the decisive factor in investment decisions, it constitutes a structuring filter in portfolio construction.

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?

Extra-financial analysis covers the entire universe and takes place in three steps:

- A dual filter consisting of:
  - Normative and sector exclusions, to remove issuers not meeting guiding principles regarding human rights, in violation of international conventions, or operating in negative impact and/or controversial sectors according to the Management Company.
  - Identification of major controversies.
- ESG Analysis: The Management Company assigns an ESG evaluation according to a proprietary methodology to portfolio or candidate issuers, with a minimum coverage rate of:
  - 90% for equities issued by large-cap companies registered in developed countries;
  - 90% for debt securities and money market instruments with an "Investment Grade" credit rating;
  - 90% for sovereign debt securities issued or guaranteed by developed states;
  - 75% for equities issued by large-cap companies established in emerging countries;
  - 75% for equities issued by small or mid-cap companies.
- Rating Improvement: The weighted average ESG evaluation of the portfolio must systematically exceed that of Stilgar Asset Management's initial investment universe.

Derivatives and cash are excluded from ESG evaluation calculations and extra-financial analysis coverage rates.

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

The Management Company applies normative and sector exclusion filters that reduce the initial investment universe. However, the Fund does not commit to a predetermined minimum rate of reduction of this investment universe, as actual reduction may vary over time based on issuer characteristics and market developments.

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

Stilgar Asset Management's proprietary ESG evaluation methodology includes around forty environmental, social, and governance criteria, detailed in the ESG methodology available on www.stilgar-am.com.

The Management Company favors an approach based on active shareholder dialogue through a pragmatic and collaborative process, facilitated by our presence in capital structures and regular company meetings, encouraging companies to improve their ESG practices.

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.

What is the asset allocation planned for this financial product?

The financial product commits to investing a minimum proportion of 90% of its net asset value in investments aligned with the promoted environmental or social characteristics (category #1 Aligned with E/S characteristics). The remaining portion, representing a maximum of 10% of fund assets, is allocated to category #2 Other.

Category #1 Aligned with E/S characteristics includes financial product investments used to attain environmental or social characteristics. It consists exclusively of sub-category #1B (Other E/S characteristics), as the fund does not make sustainable investments.



Category **#1 Aligned with E/S characteristics** includes financial product investments used to attain environmental or social characteristics. It consists exclusively of sub-category #1B (Other E/S characteristics), as the fund does not make sustainable investments.

Category **#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 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?

Derivatives are not used to attain environmental and social characteristics promoted by the fund. Their use is limited to hedging or temporary exposure operations. Furthermore, the Management Company ensures that derivative usage does not contradict promoted E/S characteristics. Specifically, derivatives are not used to artificially enhance extra-financial performance.

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 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.

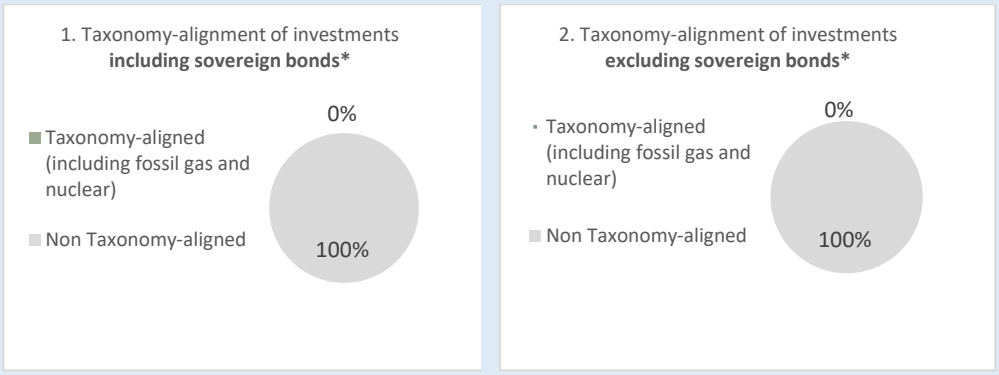
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product may invest in environmentally sustainable economic activities; however, investments do not take into account EU criteria for environmentally sustainable economic activities. The financial product commits to 0% alignment with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[12]?

- ☐ Yes:
  - ☐ In fossil gas
  - ☐ In nuclear energy
- ☑ No

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?

The Financial Product does not commit to a minimum proportion of investments in transitional and enabling activities (0%).

This symbol represents sustainable investments with an environmental objective that **do not take into account the criteria** for environmentaly 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?

This product does not commit to a minimum proportion of environmentally sustainable investments.

What is the minimum share of socially sustainable investments?

This product does not commit to a minimum proportion of socially sustainable investments.

[12] 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.

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

Investments included under category "#2 Other" represent up to 10% of fund investments. Depending on eligible instruments defined in the prospectus, these may include financial futures/derivatives traded on regulated or organized markets for portfolio exposure and hedging, cash, unrated issuers, as well as SFDR Article 8 or Article 9 UCITS. The category may also include securities without ESG ratings where data necessary to measure E/S characteristics is unavailable.

Although these investments are not subject to a full ESG rating, minimum environmental and social safeguards apply. All assets in category "#2 Other" are strictly subject to the Management Company's normative exclusion filter, ensuring no financing of issuers involved in serious human rights breaches, international conventions, or OECD Guidelines.

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?

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

No, this product does not have a specific index designated as a reference benchmark to determine whether it is aligned with the E/S characteristics it promotes.

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

  Non applicable.

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

  Non applicable.

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

  Non applicable.

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

  Non applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website:

More product-specific information can be found on the website: https://www.stilgar-am.com or upon written request to:

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