APPENDIX G - ELEVA SUSTAINABLE THEMATICS FUND

Template pre-contractual 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: ELEVA Sustainable Thematics Fund

Legal entity identifier (LEI): 213800XYNS6G8U1JXC74

Sustainable investment objective

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.

Does this financial product have a sustainable investment objective?

●● ☒ **Yes**	●○ ☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective:** 10%	☐ 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
☐ 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:** 10%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**.

What is the sustainable investment objective of this financial product?

ELEVA SUSTAINABLE THEMATICS FUND (the "**Sub-Fund**") intends to hold the French SRI label V3 (in force as of 1st March 2024) as well as the Towards Sustainability Belgian label. In that context, the Management Company is presently undergoing all the necessary procedures and is actively engaged in the accreditation process to align with the requisite criteria and standards outlined for the aforementioned labels. The Sub-Fund systematically and simultaneously integrates binding environmental, social and governance ("**ESG**") characteristics in its investment management process and intends to invest in companies having a positive contribution to social and/or environmental issues. through the four thematics of the Sub-Fund: Social inclusion, Digitalization, Industrial transformation and Climate solutions (mitigation and/or adaptation). More specifically, the Sub-fund will invest in companies having a positive contribution through either (i) the products and/or services they sell, or (ii) a credible climate strategy based on science-based targets. As such, the Sub-Fund only invests in sustainable investments in the meaning of art. 2(17) SFDR. The Sub-Fund also seeks to help companies to improve their ESG practices by engaging in dialogue with them on a regular basis and by sharing with them areas of improvement on specific ESG topics.

While the Sub-Fund is managed with reference to the benchmark STOXX Europe 600 (the "**Benchmark**"), the Benchmark has not been designated for the purpose of attaining the ESG characteristics promoted by the Sub-Fund but for performance comparison and risk measurement purposes). In addition, ELEVA Capital S.A.S. (the "**Management Company**") is not constrained by the benchmark in its investment decisions; it is free to select securities which are part, or not, of the Benchmark. The Sub-Fund's holdings and the weightings of securities in the portfolio will consequently deviate from the composition of the Benchmark.

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

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The sustainability indicators used by the Sub-Fund are (1) ESG scoring, (2) two Principal Adverse sustainability indicators (PAI) – carbon footprint (Scope 1+2+3), and exposure to companies without processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises – and (3) positive contribution to social and/or environmental issues, as further explained below.

The Sub-Fund's investment process counts 4 steps, the first 3 being based on non-financial criteria: *step 1: Strict exclusion, step 2: Positive ESG screening, step 3: Positive contribution assessment*.

1. ESG Score

In the context of step 2 (positive ESG screening), the Management Company uses a proprietary tool to internally analyse and score the companies on ESG criteria from 0 (worst score) to 100 (best score). The analysed ESG criteria include, among others:

- Shareholders (i.e. Governance criteria): quality of management team (track record, alignment of interest with shareholders, etc.), quality of the board of directors (board efficiency, gender diversity, checks and balances, etc.), quality of the relationship with shareholders (quality of risk management and controls, financial communication, respect of minority shareholders, etc.);
- Employees (i.e. Social criteria): quality of human resources ("**HR**") management (HR policies, management of human capital, gender pay gap, etc.), employer brand equity (reputation as an employer, etc.), employees retention (employee training, turnover, etc.), safety & security (policy on accident prevention, history of accidents and risk management, etc.);
- Suppliers (i.e. a combination of Environmental, Social and Governance criteria): level of risk in the supply chain (complexity of supply chain, disruption risks, etc.), supply chain risk management and control (controls, audits, engagement on Corporate Social Responsibility issues, etc.);
- Civil Society (i.e. a combination of Social and Governance criteria): customers (products quality, customer satisfaction, etc.), state (fiscal behaviour, business ethics, process to monitor the compliance with UN Global Compact principles etc.), local communities (philanthropic approach, etc.);
- Planet (i.e. Environmental criteria): climate change (risks and policies, targets on carbon emissions reduction, performance on GHG emissions and intensity), energy management (risks and policies, share of non-renewable energy consumption/production, targets, performance on energy consumption), water (risks and policies, targets, performance), biodiversity and other (risks and policies, targets, performance), environmental impact of products (taxonomy-aligned products, exposure to fossil fuels, eco-design, circular economy etc.).

The scoring methodology includes penalties for controversies, if any.

2. ESG key performance indicators

The Sub-Fund must also show a better performance than its initial investment universe (in market capitalization weight) on two Principal Adverse sustainability Indicators (PAI):

- carbon footprint (in tons of CO_2 equivalent/million euros invested, covering Scope 1+2+3); and
- exposure to companies without processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (sum of the weights).

3. Positive contribution to social and/or environmental issues

At step 3 (Positive contribution assessment), the positive contribution to social and/or environmental issues of each company is assessed through either:

- the products and/or services they sell: such companies can bring social and/or environmental benefits such as Social inclusion, Digitalization, Industrial transformation, and Climate solutions (mitigation and/or adaptation). The positive contribution of each company is measured by calculating the proportion of revenue generated with products or services that contribute positively to one or more UN SDGs. The company must generate at least 20% of its revenue from this type of products or services. This is a net turnover threshold; thus, there is a further deduction from this percentage of the portion of turnover possibly achieved with products having potentially residual negative impacts (i.e. if not already excluded through the exclusion criteria). This indicator is expressed as a percentage and corresponds directly to the percentage of net sales, calculated as mentioned above.

- a credible climate strategy based on science-based targets: by adopting validated science-based targets, companies guarantee they actively contribute to Climate change mitigation. The Management Company will notably refer to trustworthy methodologies such as the Science Based Targets initiative (SBTi).

If an investee company meets either one of these two criteria, and provided it does not cause any significant harm (see below), it is considered a Sustainable Investment in its entirety in the sense of Article 2(17) SFDR.

As a product categorised under SFDR Article 9, the Sub-Fund only invests in sustainable investments in the meaning of art. 2(17) SFDR.

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 do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

In order to ensure that sustainable investments do not cause significant harm to any environmental or social sustainable investment objective, the Sub-Fund applies several rules:

- Exclusion (please refer to the question « *What investment strategy does this financial product follow?* »)

- Minimum ESG score of 60/100, which screens out companies with bad ESG practices and/or significant controversies, and a minimum governance score of 50/100. As explained in the following question, the ESG score captures many indicators for adverse impacts.

- The positive contribution assessment already contains a 'Do No Significant Harm' component. When the positive contribution is generated by the products and/or service, the proportion of contributing revenue is netted by the portion of turnover possibly achieved with products having potentially residual negative impacts.

How have the indicators for adverse impacts on sustainability factors been taken into account?
Indicators for adverse impacts on sustainability factors are taken into account, at the product level, through the set of exclusion, through the criteria analysed in the ESG analysis and through the binding ESG KPIs (please refer to the question "*What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*"). Please also refer to the question "*Does this financial product consider principal adverse impacts on sustainability factors?*" for more details.

Principal adverse impact are not taken into consideration at the entity level.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?
In line with the criteria required for the Belgian label "Towards Sustainability" and the French SRI label V3, the companies that have violated ILO (International Labour Organisation) Conventions, or one of the UN guiding principles on Business and Human Rights, or one of the UN Global Compact principles, or of the OECD Guidelines for Multinational Enterprises are excluded in this Sub-Fund.

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

☒ Yes

☐ No

The Sub-Fund takes into consideration 14 principal adverse impact indicators and 2 optional ones (investments in companies without carbon emission reduction initiatives and investment in companies without workplace accident prevention policies).

- PAI 2, 4, 10, 11 and 14 are taken into consideration in a quantitative way, with maximum exposure or thresholds in place (through Strict Exclusion or through the binding ESG key performance indicators described above).
- PAI 1, 3, 5, 6, 13 and the 2 optional ones are taken into consideration in a qualitative way, mainly through the criteria analysed during the ESG analysis.
- PAI 7, 8, 9, 12 are only taken into consideration when the data is available (available data for these PAI is scarce). However, engagement on these topics may be conducted with companies to help improve disclosure.

The information on principal adverse impacts will be available in the annual report of ELEVA UCITS FUND.

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

What investment strategy does this financial product follow?

The Sub-Fund's investment process **counts 4 steps** being based on a combination of non-financial and financial criteria.

Step 1/ Strict Exclusion:
The Management Company excludes companies from the initial investment universe which have significant negative impacts on specific ESG factors as follows:

Companies having violated the UN Global Compact, UN Guiding Principles, ILO convention and OECD guidelines for multinational enterprises; involved in extremely severe controversies; exposed to controversial weapons, nuclear weapons, weapons in the broad sense, tobacco, palm oil, thermal coal, Oil & Gas (developers; conventional and unconventional), power generation (carbon-intensive and non-renewable sources), alcohol, adult entertainment, and gambling.

In addition to the Management Company's exclusion policy, the Sub-Fund respects the exclusion standard from the French SRI label (v3) and the Towards Sustainability Belgian label.

The Sub-Fund also respects the Paris-Aligned Benchmark (PAB) exclusions, in compliance with the ESMA Guidelines on funds' names using ESG or sustainability-related terms.

For more information on the criteria and applicable thresholds, please refer to the ESG Policy and the Coal Policy, available on the ELEVA Capital website: https://www.elevacapital.com/en/our-responsible-approach#approach.

Step 2/ Positive ESG screening:
2.1 Initial investment universe reduction and minimum ESG score:
The ELEVA Sustainable Thematics Fund reduces its ESG investable universe compared to its initial investment universe by at least 30% (i.e. an elimination of the 30% worst issuers in market capitalization weight). The Sub-Fund defines a binding minimum ESG score, that each company in the Sub-Fund's portfolio must as a minimum reach. The minimum score is 60/100 and this ensures that at least 30% of the initial investment universe is excluded further to the screening under steps 1 and 2. If at some point in time, the threshold of 60/100 is not sufficient to ensure a 30% reduction of the investment universe, this minimum ESG score could be revised upwards.

In the event that a company sees its internal ESG score drop below the minimum required by the Management Company for ELEVA Sustainable Thematics Fund, the position on the issuer will be sold no later than 3 months after the score has been downgraded in the best interest of the Shareholders.

2.2 ESG key performance indicators:
The Sub-Fund must also show a better performance than its initial investment universe (in market capitalization weight) on two Principal Adverse sustainability Indicators (PAI):

- carbon footprint (in tons of CO_2 equivalent/million euros invested, covering Scope 1+2+3); and
- exposure to companies without processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (sum of the weights).

In the event of non-compliance with this commitment, the Management Company has two Business Days to comply.

Step 3/ Positive contribution assessment:
The ELEVA Sustainable Thematics Fund seeks to invest in companies having a positive contribution to social and/or environmental issues. The positive contribution of each company is assessed through either:

3.1 The products and/or services they sell:
Such companies can bring social and/or environmental benefits such as Social inclusion, Digitalization, Industrial transformation, and Climate solutions (mitigation and/or adaptation). The positive contribution of each company is measured by calculating the proportion of revenue generated with products or services that contribute positively to one or more UN SDGs. The company must generate at least 20% of its revenue from this type of products or services. This is a net turnover threshold; thus, there is a further deduction from this percentage of the portion of turnover possibly achieved with products having potentially residual negative impacts (*i.e.* if not already excluded through the exclusion criteria). This indicator is expressed as a percentage and corresponds directly to the percentage of net sales, calculated as mentioned above.

3.2 A credible climate strategy based on science-based targets:
By adopting validated science-based targets, companies guarantee they actively contribute to Climate change mitigation. The Management Company will notably refer to trustworthy methodologies such as the Science Based Targets initiative (SBTi).

If an investee company meets either one of these two criteria, and provided it does not cause any significant harm (see below), it is considered a Sustainable Investment in its entirety in the sense of Article 2(17) SFDR.

As a product categorised under SFDR Article 9, the Sub-Fund only invests in sustainable investments in the meaning of art. 2(17) SFDR.

As a conclusion, 100% of the initial investment universe is screened according to this three-steps approach.

The data sources used under steps from 1 to 3 (as relevant for each step) are mainly companies' public information, direct engagement with companies, brokers' research, financial press as well as a single external ESG data providers.

Step 4/ Financial criteria:
The final selection relies on financial criteria. Companies are finally assessed through fundamental financial analysis, liquidity and valuation metrics.

The Sub-Fund's strategy in relation to the ESG characteristics is an integral part of the Sub-Fund's investment strategy, which is continuously monitored via the risk control and related systems in place. In addition to ongoing monitoring, pre-trade controls are also performed.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy used are the below (systematically implemented prior to the investment):

- Strict Exclusion of companies from the initial investment universe which have significant negative impacts on specific ESG factors (norm based and sector based).

- The ELEVA Sustainable Thematics Fund reduces its ESG investable universe compared to its initial investment universe by at least 30% (i.e. an elimination of the 30% worst issuers in market capitalization weight). The Sub-Fund defines a binding minimum ESG score, that each company in the Sub-Fund's portfolio must as a minimum reach. The minimum score is 60/100 and this ensures that at least 30% of the initial investment universe is excluded further to the screening under steps 1 and 2. If at some point in time, the threshold of 60/100 is not sufficient to ensure a 30% reduction of the investment universe, this minimum ESG score could be revised upwards.

- The Sub-Fund must also show a better performance than its initial investment universe (in market capitalization weight) on two Principal Adverse sustainability Indicators (PAI):
  - carbon footprint (in tons of CO2 equivalent/million euros invested, covering Scope 1+2+3); and
  - exposure to companies without processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (sum of the weights).

- For a company to enter the portfolio and to qualify as a sustainable investment, either (i) a minimum revenue contribution of 20% to one or more UN SDGs, or (ii) a credible climate strategy based on science-based targets is required (pass or fail).

- Minimum of sustainable investments with environmental objective and/or social objective (as further explain under the question "*What is the asset allocation and the minimum share of sustainable investments?*").

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

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

Assessing company's governance practices is an integral part of the Management Company's proprietary ESG Scoring methodology (see the answer to question "*What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*"). Governance criteria (essentially located in the pillars Shareholders and Civil society) account for 30 to 40% of the ESG score, depending on a company's sector. A minimum score of 50/100 is required for the Governance pillar to qualify as a sustainable investment. As a reminder each investee company is scored on ESG criteria with the Management Company's ESG scoring methodology.

Asset allocation describes the share of investments in specific assets.

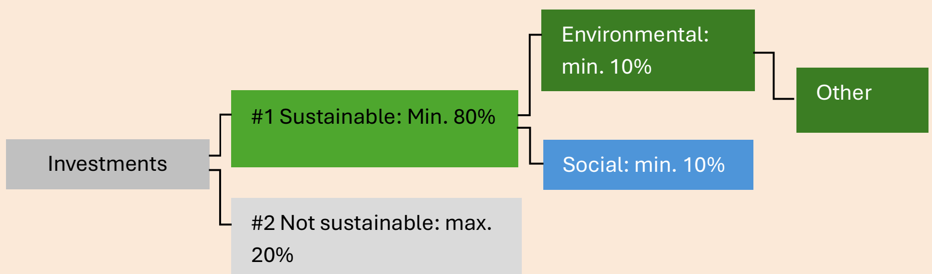
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation and the minimum share of sustainable investments?

#1 Sustainable: At least 80% of the Sub-Fund (including cash and FDIs, if any) is invested in sustainable investments, with a **minimum of sustainable investments with an environmental objective of 10%** (*i.e.* in economic activities that do not necessarily qualify as environmentally sustainable under the EU Taxonomy) and a **minimum of sustainable investment with a social objective of 10%**. The sum of those two is always equal to at least 80%. The remaining 20% can only be invested in cash or FDIs.

#2 Not sustainable: The Sub-Fund may invest, in aggregate, up to 20%, in cash and cash equivalent and derivatives for hedging purposes only.

*For more information regarding the investment categorised as "**#2 Not Sustainable**" (i.e. the aim of their use and the safeguards in place), please refer to the element available under the question "What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguard?".*



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

In managing the Sub-Fund, the Management Company may invest on an ancillary basis in financial derivative instruments such as index or sector futures for hedging purposes only. This must not have the consequence of significantly or lastingly distorting the Sub-Fund's ESG policy (*i.e.* temporary use). Derivative on agricultural commodities are not allowed.

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.

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

Not applicable.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[33]?

☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

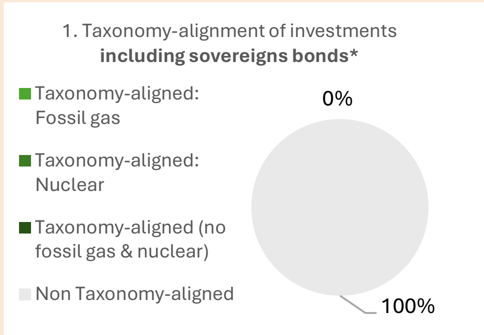
[33] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

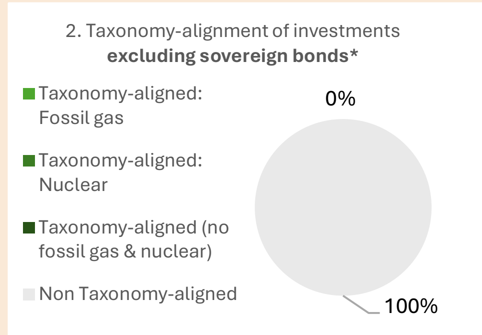
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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.*

This graph represents 100% of the total investments.





** 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?
Not applicable.

are environmentally sustainable investments 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 Sub-Fund has committed to a minimum proportion of sustainable investments with an environmental objective that do not necessarily qualify as environmentally sustainable under the EU Taxonomy of 10% (ex-ante). The sum of the proportion of sustainable investments with an environmental objective that do not necessarily qualify as environmentally sustainable under the EU Taxonomy and the proportion of sustainable investments with a social objective is always equal to at least 80%.

What is the minimum share of sustainable investments with a social objective?
The Sub-Fund has committed to a minimum proportion of socially sustainable investments of 10% (ex-ante). The sum of the proportion of sustainable investments with an environmental objective that do not necessarily qualify as environmentally sustainable under the EU Taxonomy and the proportion of sustainable investments with a social objective is always equal to at least 80%.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?
The Sub-Fund might invest, in aggregate, up to 20% of the Sub-Fund's Net Asset Value in:

1. cash and cash equivalent that may be held for technical purposes and/or on a temporary basis;
2. financial derivatives instruments, for hedging purposes on a temporary basis.

The Sub-Fund does not consider any minimum environmental or social safeguards on these investments "#2 Not Sustainable".

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

Is a specific index designated as a reference benchmark to meet the sustainable investment objective? Not applicable.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?
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:
https://www.elevacapital.com/en/our-responsible-approach ; and
https://www.elevacapital.com/lu/funds/eleva-sustainable-thematics/