

Article 10 (SFDR) Website disclosure for an article 8 fund

Uni-Global – Defensive World Equities

Version	Date of publication	Explanation of amendments
1	25.03.2023	Initial version of the disclosure
2	06.09.2024	Update to reflect amendments to the Prospectus relating to the sub-fund's name, SBTi portfolio alignment, detailed asset allocation and updated data sources and methodology in line with the updated Responsible Investing Policy



Product name: Uni-Global – Defensive World Equities
Legal entity identifier: 549300T3PW3NV74JUR97



A. Summary

For other languages, use following link:

<https://unigestionfile.blob.core.windows.net/public/a92759ea-be0b-47e4-81ad-b19ea916fdf4.PDF>

The main characteristic promoted is to have an aggregate Greenhouse Gas (GHG) intensity (Scopes 1, 2, and 3 emissions) at the portfolio level that is at least 20% lower than that of the MSCI ACWI Index (the "Index"). In addition, the sub-fund will favour assets with higher or improving Environmental, Social and Governance (ESG) scores in order to achieve an aggregate portfolio ESG score rank better than the ESG score rank of the Index, whose stocks in the worse quintile have been removed. The Index is only used to determine the GHG intensity target and the ESG target of the sub-fund's portfolio.

The sub-fund employs a 4-pillar ESG integration process to attain its environmental and social characteristics, including

- (1) Pillar I: Norm-based screening based on the target companies' compliance with international standards and norms,
- (2) Pillar II: Exclusionary screening based on various ESG aspects,
- (3) Pillar III: ESG guidelines aiming at identifying and effectively favouring investments with higher ESG scores to ensure an aggregate portfolio ESG score rank that is better than the ESG score rank of the Index, whose stocks in the worst quintile have been removed, and
- (4) Pillar IV: Active ownership aiming at engaging with investee companies on ESG issues where there is a reasonable change of influencing the behaviour and position of these companies.

Good governance practices of companies in the sub-fund's portfolio are ensured via the norm-based screening (Pillar I) and the exclusionary screening (Pillar II) and is assessed in the context of the ESG scores (Pillar III).

The sub-fund is expected to invest at least 90% of its NAV in companies that qualify as aligned with its environmental and social characteristics and may invest up to 10% of its NAV in cash, cash equivalents, and/or hedging instruments. The sub-fund does not currently commit to making any environmentally sustainable investments within the meaning of the Taxonomy Regulation.

To measure the attainment of each of the environmental and social characteristics promoted by the sub-fund, the Investment Manager uses the GHG intensity (Scopes 1, 2 and 3 emissions) of the portfolio in tonnes of CO₂ equivalent per million USD in revenues and the overall ESG score of the portfolio based on an internal methodology. As data sources, the Investment Manager employs a combination of research, news, information gathered through dialogue with companies and data from external research providers including but not limited to Sustainalytics, S&P Trucost, CDP and Transition Pathway Initiative (TPI).



The ESG integration process of the sub-fund is described in detail in Annex I (Detailed Process for Equity Strategies) of the [Responsible Investing Policy](#) of Unigestion.

The Investment Manager will engage with companies on ESG matters if the sub-fund is invested directly in these companies and if it is assumed that there is a reasonable chance to positively influence the behaviour and position of the company.

The Index does not take into account the environmental and social characteristics promoted by the sub-fund, which are expected to be achieved by the investment strategy of the Investment Manager.



B. No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.



C. Environmental or social characteristics of the financial product

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

The main characteristic promoted is to have an aggregate GHG intensity (Scopes 1, 2, and 3 emissions) at the portfolio level that is at least 20% lower than that of the MSCI ACWI Index (the "Index"). In addition, the sub-fund will favour assets with higher or improving Environmental, Social and Governance (ESG) scores in order to achieve an aggregate portfolio ESG score rank better than the ESG score rank of the Index, whose stocks in the worse quintile have been removed. The Index is only used to determine the GHG intensity target and the ESG target of the sub-fund's portfolio.

The Index does not take into account the environmental and social characteristics promoted by the sub-fund, which are expected to be achieved by the investment strategy of the Investment Manager.



D. Investment strategy

What investment strategy does this financial product follow to meet the environmental or social characteristics promoted by the financial product?

Our ESG integration process has four pillars.

Step 1: Primary screenings:

1) Pillar I

- **Minimum social safeguards:** Companies identified as "non-compliant" based on UN Global Compact and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct ("OECD Guidelines")
- **Companies significantly involved in predatory lending:** Companies directly involved in any lending practice that imposes unfair, deceptive or abusive loan terms on borrowers with a level of product involvement in that activity of greater than 5%
- **Companies involved in controversial weapons:** Companies that manufacture,



distribute or sell controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons, depleted uranium ammunitions, nuclear weapons)

- **Companies significantly involved in adult entertainment production:** Companies producing adult entertainment with more than 10% of their revenue coming from this activity
- **Tobacco producers:** Companies active in the cultivation and production of tobacco
- **Companies with significant thermal coal revenue exposure:** Companies generating more than 10% of their revenue from thermal coal

2) **Pillar II**

- **Non-covered companies:** Companies that are not covered by our ESG score
- **Worst-in-class companies:** Companies with ESG scores below a certain threshold which do not demonstrate improvements
- **High carbon emitters:** Companies with a greenhouse gas intensity above a certain threshold unless they are on an emissions trajectory aligned with a below 2°C scenario
- **Companies with ongoing severe controversial events**

Step 2: Portfolio construction (Pillar III: ESG guidelines)

Portfolio construction is then performed through an optimisation process on the remaining, stable universe to produce a candidate portfolio that aims at minimising risk while considering a range of top-down guidelines. These guidelines reflect investment views such as country and sector risks as well as the ESG score of the aggregated portfolio. At this stage, by effectively favouring investments with higher ESG scores, we ensure an aggregate portfolio ESG score rank that is better than the ESG score rank of the Index, whose stocks in the worst quintile have been removed.

In addition, at the aggregated portfolio level, we ensure that the total GHG intensity (Scopes 1, 2, and 3) is, at least, 20% lower than that of the Index.

The resulting portfolio leads to a list of purchase candidates, which is then reviewed thoroughly by our portfolio managers and fundamental analysts. This review, although discretionary by nature, is highly disciplined and ESG is an integral part of the broader criteria used for validating the stocks within the portfolio. As this review may result in further exclusions, the last step may need to be repeated multiple times in order to find the optimal solution.

Step 3: Active ownership (Pillar IV)

As a responsible investor, we practice our active ownership in 3 levels: proxy voting, direct engagement (on topics discovered in our research to the companies and collaborative engagement (already a signatory of Climate Action 100+, PRI-lead Oil & Gas, PRI's Climate Change for Airlines and Aerospace Companies, Plastic Solutions Investor Alliance).

The binding elements of the sub-fund are the following:

1. Maintain an aggregate GHG intensity (Scopes 1, 2, and 3 emissions) at the portfolio level that is at least 20% lower than the Index;
2. Achieve an aggregate portfolio ESG score rank better than the ESG score rank of the Index, whose stocks in the worst quintile have been removed; and



3. Exclude companies involved in any of the activities and/or sectors set out in Step 1 (Pillar I and II) of the investment strategy.

The sub-fund aims to achieve those targets by applying the 4-pillar investment strategy further described above.

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

We take into account ESG criteria in different layers of our decision-making process. As an active manager, we frequently review every stock held in our portfolios.

As part of our review, we focus on E, S & G criteria in order to determine the risk of our holdings with respect to any of these criteria.

As part of our ESG score, we consider corporate governance categories of the companies, which include, but are not limited to, issues regarding board and management quality and structure, remuneration, UNGC signatories, and corporate policies, which tackle, but are not limited to, bribery, corruption, discrimination, and tax disclosures. All of the categories mentioned are considered within our G score and are regularly monitored.

We assess the governance based on a pre investment rule of verifying the company is not non-compliant according to UN Global Compact or OECD Guidelines. We then monitor this fact on a daily basis through the risk management process and if the situation of any of our holdings changes, we will sell the position at most during next rebalancing of the sub-fund.

We also monitor the ongoing controversies on a daily basis, through the risk management process, for each company we hold and if there are severe controversies around governance, we sell the position at most during next rebalancing of the sub-fund.



E. Proportion of investments

What is the planned asset allocation for this financial product?

The sub-fund is expected to invest at least 90% of its NAV in companies that qualify as aligned with its environmental and/or social ("E/S") characteristics (#1).

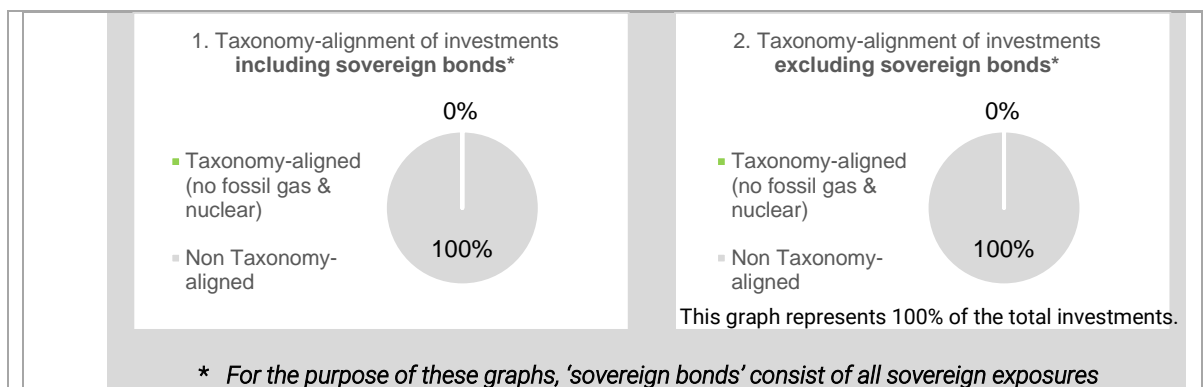
The sub-fund is allowed to invest up to 10% of its NAV in cash, cash equivalents, and/or hedging instruments (#2 Other).

The sub-fund will invest directly into companies.



<div><div><div>Investments</div><div><div>#1 Aligned with E/S characteristics</div><div>#2 Other</div></div></div><p>#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.</p><p>#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.</p></div>
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?
<p>The sub-fund does not currently commit to making in any “environmentally sustainable investments” within the meaning of the Taxonomy Regulation and therefore the sub-fund's sustainable investments with an environmental objective aligned with the EU Taxonomy amount to 0% (as measured by turnover, capital expenditure and operating expenditure). This is not subject to an assurance provided by one or more auditors or a review by one or more third parties. However, the position will be kept under review as the availability of reliable data increases over time.</p>
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?
<div><input type="checkbox"/> Yes:</div> <div><div><input type="checkbox"/> In fossil gas</div><div><input type="checkbox"/> In nuclear energy</div></div>
<div><input checked="" type="checkbox"/> No</div>
<p><i>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.</i></p>

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. To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules. 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 is the minimum share of investments in transitional and enabling activities?

As the sub-fund does not commit to making any “environmentally sustainable investments” within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation (measured by turnover, capital expenditure and operating expenditure) is therefore also set at 0%.

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

1. Cash and cash equivalents for the purpose of liquidity
2. Hedging instruments in order to reduce market risks

Such investments do not follow any minimum environmental or social safeguards.



F. Monitoring of environmental or social characteristics

How are the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product monitored throughout the lifecycle of the financial product and which are the related internal/external control mechanisms?

The following sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by the sub-fund:

KPI	Measure	Goal	Methodology
1. Relative Decar-bonization	tCo2/mln\$ Revenue	Total GHG Intensity level of the portfolio that is at least 20% lower than the total GHG intensity level of the Index	The sustainability indicators used are the GHG intensity of the portfolio and the GHG intensity of the Index. GHG Intensity level is defined as Tonnes of CO2-equivalent emissions (including Scopes 1,2 & 3 emissions) per million USD of revenue.



2. Relative ESG Score Rank	unit	An overall ESG score rank of the portfolio better than the ESG Score Rank of the Index whose stocks in the worse quintile have been removed	Environmental, Social and Governance combined score, based on an internal methodology. The ESG score is calculated based on an internal weighting methodology allocating different weights for the E, S & G dimensions. The different weights are based on the materiality of each dimension in each subindustry. The ESG score is calculated from 0 to 100, 0 being the worst and 100 being the best. The ESG score is then ranked on the investment universe to estimate the ESG rank for the Index and the portfolio (excluding assets held for the purpose of liquidity and hedging instruments) as a simple weighted average. More information on the methodology may be found here: https://unigestionfile.blob.core.windows.net/public/922869b0-9540-4868-a56d-62a2ffbf58b0.PDF
----------------------------	------	---------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The monitoring of these indicators is done on an ongoing basis throughout the lifecycle of the sub-fund. The Investment Manager's risk management team controls and supervises the compliance with all elements of the ESG integration process based on the four pillars described above before and after all transactions. In case of a violation, the risk management team will intervene with the investment management team.

In principle, the sub-fund is rebalanced monthly taking into account the ESG integration process based on the four pillars.

For more information on the ESG investment process of the sub-fund, see the [Responsible Investing Policy](#) of Unigestion (in particular Annex I *Detailed Process for Equity Strategies*).



G. Methodologies

What are the methodologies to measure how the environmental or social characteristics promoted by the financial product are met?

The methodologies used to measure the attainment of the environmental and social characteristics promoted by the sub-fund relate to the ESG score and to the GHG intensity of the companies used in the context of the third pillar (see section D. above).

The Investment Manager determines an ESG score based on Unigestion's proprietary methodology for the companies held in the sub-fund's portfolio and for the companies included in the Index (i.e. MSCI ACWI Index) on the basis of external and internal data (see section H. below). For more information on the ESG scoring methodology see the [Responsible Investing Policy](#) of Unigestion.

For the GHG intensity of the companies, the Investment Manager considers the Scope 1, 2 and the upstream and downstream Scope 3 emissions for the companies held in the sub-fund's portfolio and for the companies included in the Index.



H. Data sources and processing

What are the data sources used to attain each of the environmental or social characteristics and the measures taken to ensure data quality, how is data processed and which proportion of that data is estimated?

As data sources, the Investment Manager employs a combination of research, news, information gathered through dialogue with companies and data from external research



providers including but not limited to Sustainalytics, S&P Trucost and Transition Pathway Initiative.

To measure the attainment of the environmental and social characteristics, the Investment Manager utilizes external ESG ratings, assessments and KPIs from external ESG data providers. Prior to using external ESG data, the data source and the methodology of the external provider are assessed. Once the service provider is selected, their external data will never lead to the Investment Manager's mechanistic reliance on that ESG assessment. Instead, the Investment Manager will use the external data as an additional, but not the sole, source for the internal assessments. The following external ESG data sources are currently used:

- Sustainalytics
- S&P Trucost
- CDP
- ISS
- Transition Pathway Initiative(TPI)
- World Bank
- FAIRR

Collected data is processed and stored in an internal data management system. For the ESG score, less than 10% of the data is estimated. For the GHG intensity, approximately 30% of the data relating to Scope 1 and 2 is estimated; approximately 70% of the data relating to Scope 3 is estimated.



I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources and how do such limitations not affect the attainment of the environmental and social characteristics?

Overall, there are no limitations to the methodologies and data sources except for the downstream Scope 3 data of companies. This data is based on the estimation model of S&P Trucost and not on data published by the companies because the companies do not yet fully disclose this data.

In principle, the extra-financial management process relies in part on data provided by external rating agencies, which may apply different models and which may contain inaccurate or incomplete data. In case of insufficient data, ESG data providers may rely on estimates and approximations using internal methodologies that may be subjective. These methodologies may also vary for each data provider.



J. Due diligence

How is the due diligence carried out on the underlying assets of the financial product and which are the internal and external controls on that due diligence?

The ESG integration process of the sub-fund is described in detail in Annex I (Detailed Process for Equity Strategies) of the Responsible Investing Policy of Unigestion.



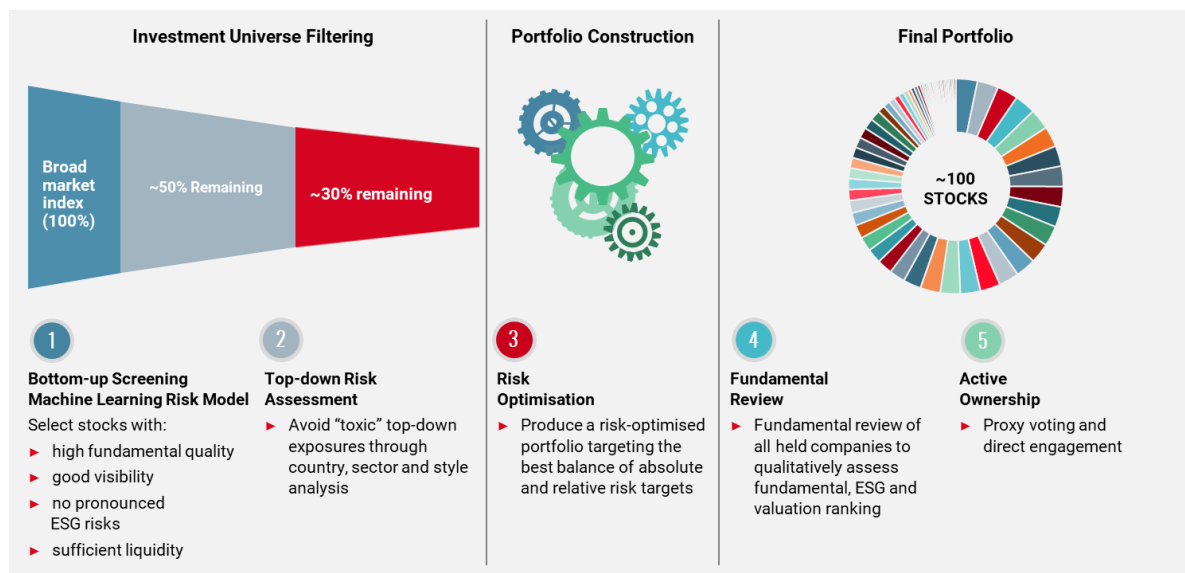
The aim of the strategy is to use a combination of quantitative and qualitative capabilities to identify a diversified set of candidate companies which aids investors to get exposure to a ESG conscious portfolio while controlling for various market risks and biases including crowding and valuation. We create a ESG case for each of our candidate companies.

The Investment Manager uses various company and external data sources to gather ESG relevant information for each candidate company (i.e., GHG emissions, net zero targets and process, exposure to green or brown activities, physical risk assessment etc.). We also verify the fundamental characteristics and soundness of the company.

If all of the above steps are collectively verified and agreed upon with the responsible investment team members during the preliminary review, the sub-fund will invest in the candidate company.

In relation to specific ESG elements included in the pre-contractual documents, as well as strict filters, the risk management independently verifies each, pre and post trade in order to confirm the compliance at stock level and portfolio level.

The five main steps of the investment process for equities is set out below:



K. Engagement policies

Is engagement part of the environmental or social investment strategy and which are the engagement policies? Are there any management procedures applicable to sustainability-related controversies in investee companies?

The Investment Manager will engage with companies on ESG matters if the sub-fund is invested directly in these companies and if it is assumed that there is a reasonable chance to positively influence the behaviour and position of the company.

Engagement activities are directed by Unigestion's Sustainability Committee and conducted by Unigestion's Corporate Engagement Team. Engagement candidates are selected, based on financial materiality, issues emerging from the annual general meeting (AGM), significant controversies, quantitative ESG analysis or qualitative matters relating to ESG or the Sustainable Development Goals (SDG), each as identified by the Corporate Engagement Team. The Investment Manager utilizes four engagement catalysts, being (1) AGM-based engagements, (2) ESG or controversy engagements, (3) thematic engagement based on the SDG, and (4) client-specific or product-specific engagements. The Investment Manager's engagement strategies cover a variety of issues related to topics such as climate change,



circular economy, pollution, human rights, labour rights, health and safety, diversity, executive pay, bribery and corruption, board composition and diversity, stakeholder interaction and tax strategy.

The Corporate Engagement Team performs initial research to identify material issues which are then prioritized to form the engagement objective for the respective company. As next step, the Corporate Engagement Team defines measurable KPIs to evaluate and monitor the achievement of the engagement objective within a suitable progress timeline. Finally, the Corporate Engagement Team proceeds to undertake multiple interactions with the company via e-mail, letter, phone call, or meetings to clarify the Investment Manager's position, personalise the engagement and advocate for change.

The Investment Manager manages all of its engagement activities in a central database allowing to measure the KPIs defined for each engagement through time and evaluate the performance of the companies versus the objectives and expectations within the pre-defined timeline. If the Investment Manager is not satisfied with the progress of the engagement objectives or the responsiveness of companies it engages with, it will make a case-by-case assessment for escalation. The Investment Manager has a number of different ways to escalate its engagements, including collaborative engagement, proxy voting, supporting shareholder resolutions and, as a matter of last resort, partial or complete divestment.

The Investment Manager's proxy voting is carried out by a proxy voting adviser called Institutional Shareholder Services (ISS). It is based on Unigestion's customised policy built upon ISS's International Sustainable Proxy Voting policy with enhancements to address stricter rules for director and auditor independence as well as the incorporation of ISS's Climate Voting Services, which uses ISS's Climate Scorecard. Unigestion's equity investment team and its Sustainability Committee monitor the voting guidelines to ensure they are aligned with Unigestion's approach to stewardship.

Further details on the Unigestion's engagement activities is available in the Investment Manager's Engagement Policy which may be found here:

<https://unigestionfile.blob.core.windows.net/public/08c9770a-8a9c-46c9-a607-a81859f66cfc.PDF>



L. Designated reference benchmark

Has an index been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product?

No index has been designated as reference benchmark to meet the environmental or social characteristics promoted by the sub-fund. The Index (i.e. MSCI ACWI Index) does not take into account the environmental and social characteristics promoted by the sub-fund, which are expected to be achieved by the investment strategy of the Investment Manager.