UNIGESTION

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

UNI-GLOBAL – Cross Asset Navigator

Product Name: **Cross Asset Navigator**	**Legal identity identifier: 2221006VGQ1F3CDC0F39**
Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective: __%** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: __%**	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

A. Summary

For other languages, use following link:
https://unigestionfile.blob.core.windows.net/public/50cf2c32-4157-4721-b51d-ea22acbc4091.PDF

The sub-fund promotes environmental and social characteristics by investing in instruments that operate across the entire value chain. The sub-fund considers ESG in two different asset classes that it is holding:

1. Equities: The main characteristic promoted is to have an aggregate Greenhouse Gas (GHG) intensity at the portfolio level that is at least 20% lower than that the MSCI AC World Index (the “Equity 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 score at least 10% higher than the Equity Index. The Equity Index is only used to determine the GHG intensity target and the ESG target of the sub-fund’s portfolio;

2. Sovereign bonds: The main characteristic promoted is to have an overall Greenhouse Gas (GHG) intensity lower than the GHG intensity of the Bloomberg Global Treasury Index (BTSYTRUU Index) (the “Sovereign Index”), whose countries in the worst/highest decile (10%) have been removed. The sub-fund also targets an overall ESG score better than the ESG score of the Sovereign Index, whose countries in the worse quintile (20%) have been removed. The Sovereign Index is only used to determine the GHG intensity target and the ESG target of the sub-fund’s portfolio.

For the equity investments, the sub-fund employs a 4-pillar investment strategy to attain its environmental or social characteristics promoted, 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 positively tilting towards investee companies with better ESG scores, and negatively tilting away from the ones with the worst ESG scores, and
(4) **Pillar IV:** Active ownership aiming at engaging with investee companies on ESG issues where there is a reasonable change of influencing their behaviors and positioning positively.

To measure the attainment of the environmental or social characteristics, the Investment Manager utilities external ESG ratings, assessments and KPIs from external ESG data providers. The main sustainability indicator used to measure the Greenhouse Gas intensity of the portfolio companies is the GHG intensity (Scopes 1, 2 and 3 emissions) per million USD in revenues which is combined with the ESG score of portfolio companies which is used to achieve the higher ESG score at portfolio level. Furthermore, the CO2e indicator (Scopes 1 and 2 emissions) is used to measure the alignment with the 2-degree trajectory of the SBTi.

For the sovereign investments, tthe Sub-Fund employs a 3-pillar investment strategy to attain its environmental or social characteristics promoted, including
(1) Liquidity Screening,
(2) **Pillar I:** Exclusionary screening based on various ESG aspects,
(3) **Pillar II**: ESG guidelines aiming at identifying and positively tilting towards investee countries with better ESG scores, and negatively tilting away from the ones with the worst ESG scores., and
(4) **Pillar III:** Parallel process to promote commitment to climate and responsible investments through investing at least 50% of the targeted country weight to government green bonds, whenever available.

To measure the attainment of the environmental or social characteristics, the Investment Manager utilizes external ESG ratings, assessments and KPIs from external ESG data providers. The main sustainability indicators used to measure the Greenhouse Gas intensity of the portfolio is the carbon intensity as a percentage of GDP for countries in the sovereign bonds' asset class. The CO2e indicator is then combined with the ESG score of portfolio countries that is used to achieve the higher ESG score at portfolio level.

The Equity Index and the Sovereign Index do not take into account the environmental and social characteristics promoted by the sub-fund, which are expected to achieve by the investment strategy of the Investment Manager.

The ESG characteristics do not apply to corporate bonds.

B. No sustainable investment objective

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

C. Environmental or social characteristics of the financial product

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

The sub-fund considers ESG in two different asset classes that it is holding:

1. Equities: The main characteristic promoted is to have an aggregate Greenhouse Gas (GHG) intensity at the portfolio level that is at least 20% lower than that the MSCI AC World Index (the "Equity 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 score at least 10% higher than the Equity Index. The Equity Index is only used to determine the GHG intensity target and the ESG target of the sub-fund's portfolio;

2. Sovereign bonds: The main characteristic promoted is to have an overall Greenhouse Gas (GHG) intensity lower than the GHG intensity of the Bloomberg Global Treasury Index (BTSYTRUU Index) (the "Sovereign Index"), whose countries in the worst/highest decile (10%) have been removed. The sub-fund also targets an overall ESG score better than the ESG score of the Sovereign Index, whose countries in the worse quintile (20%) have been removed. The Sovereign Index is only used to determine the GHG intensity target and the ESG target of the sub-fund's portfolio.

The Equity Index and the Sovereign Index do not take into account the environmental and social characteristics promoted by the sub-fund, which are expected to achieve by the investment strategy of the Investment Manager.

The ESG characteristics do not apply to corporate bonds.

For other asset classes the ESG considerations are on a best effort basis, more information can be found at https://www.unigestion.com/responsible-investment/policies-and-reporting/

Does this financial product take into account principal adverse impacts on sustainability factors?

☐ Yes

☒ No

D. Investment strategy

What investment strategy does this financial product follow?

Our ESG integration process in general has four pillars.

1. Equity Investments

Step 1. Primary screenings:

1) Pillar I

- Minimum social safeguards: Companies identified as "non-compliant" based on UN Global Compact and OECD
- Companies significantly involved in Predatory lending
- Companies involved in Controversial weapons
- Companies significantly involved in Adult entertainment production

- Tobacco producers
- Companies with significant thermal coal revenue exposure (>10%)

2) Pillar II

- Excessively large emitters of greenhouse gases
- Companies with no ESG criteria available
- Companies with ESG score below 60 and a negative trend
- Companies with severe controversial activity

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 overall ESG score that is at least 10% higher than the Equity Index and in majority of cases we aim for at least one decile based on rankings from our internal scoring methodology.

In addition, at the aggregated portfolio level, we ensure that the total GHG intensity is, at least, 20% lower than that of the Equity 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).

2. Sovereign Bonds

For our sovereign investments, we first define an investable investment universe, which is comprised of all government bonds held in the Sovereign Index.

Prior to applying ESG related exclusionary screenings, we filter the Sovereign Index based on liquidity measures and exclude the countries having a below average liquidity score. We use Bloomberg's Liquidity Assessment (LQA) score as a measure, which assesses positions' liquidity risk by quantitatively estimating a security's liquidity.

Liquidity is measured in terms of the security's liquidation cost (i.e., the deviation of the liquidation price from fair value price), liquidation horizon (i.e., the estimated number of trading day to liquidate an associated volume), and level of uncertainty for both the liquidation cost and liquidation horizon. LQA's methodology combines traditional market impact models with machine learning techniques to account for all the relevant factors influencing liquidity.

The resulting list of countries composes the remaining relevant choices on which Pillar II (Exclusionary screenings) and Pillar III (ESG guidelines) will subsequently be applied.

Step 1: Exclusionary screening (Pillar I):

The exclusions are applied to the remaining relevant choices in the first step of the investment process. The sub-fund considers three such exclusions:

- Non-covered countries: Countries not covered by the ESG score established by Unigestion,
- Worst-in-class countries: Countries with the worst ESG scores (worst decile) of the Sovereign Index, and
- High carbon emitters: Large emitters of greenhouse gases (GHG) (i.e. countries with carbon emissions of more than 40% of GDP (KG/PPP $ of GDP))

Step 2 : Portfolio Construction (Pillar II: ESG guidelines):

We require our portfolios to maintain an ESG score higher than the Sovereign Index on an ongoing basis. This is achieved through a positive tilt to countries with better ESG scores and a negative tilt to the ones with the worst ESG scores.

The global country allocation is then determined through an optimisation process on the remaining relevant choices. The objective is to maximise the overall ESG score and keep GHG intensity below the Sovereign Index level, while maintaining a diversified allocation across countries by controlling the tracking error versus the initial allocation. At this stage, by effectively favouring countries with higher ESG scores, we ensure that the overall ESG score is above the Sovereign Index while the allocation across countries is not distorted by too many exclusions.

Target allocations resulting from Pillar I and Pillar II will be reviewed on a bi-annual basis on June 30th and December 31st and changes, if applicable, will be implemented in the first 15 days of the following month.

Step 3: Parallel process (Pillar III):

Investing in green bonds is one way to promote commitment to climate and responsible investment and we have decided to favour them over other government bonds. We implement our allocation such that:

- If government green bonds are available for a country, we will allocate at least 50% of the targeted country weight to government green bonds.
- We exclude green bonds issued by supranational and regional entities or government backed companies.

New issues of green bonds by countries eligible in the target allocations will be invested, based on availability, during the semi-annual re-allocation process.

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?

The binding element of the sub-fund is that it will strive to reach all the goals set in the sustainability indicators table (and – if relevant - any additional goal set in the future, as further specified on the product-specific disclosures online) by applying a 4-pillar investment strategy

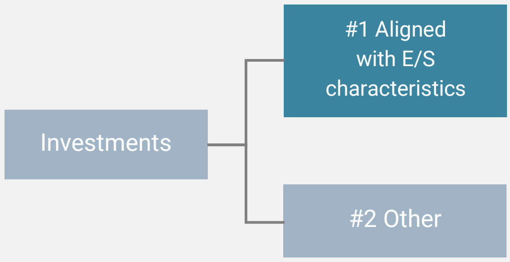
(for the equity investments) and a 3-pillar investment strategy (for the sovereign investments) as further described above.
How is the strategy implemented in the investment process on a continuous basis?
For both equity and sovereign investments regarding Pillars I and II of the investment strategy, the asset manager performs the initial analysis, and the risk manager reviews the framework initially and implements pre- and post-trade checks on a daily basis. For Pillar III of the investment strategy, the Asset Manager does the deep dive based on various info (ESG ratings, research and newspapers, dialogue with companies), the risk manager validates it via independent stress tests (climate risk), and performs standard checks based on investment guidelines. For sovereign investments, target allocations resulting from Pillars I and II will be reviewed on a bi-annual basis on June 30th and December 31st, and changes, if applicable, shall be implemented in the first 15 days of the following month.
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. 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 UNGC or OECD. 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. The consideration of good governance practices of investee companies/countries is part of each pillar abovementioned. Firstly, non-compliant companies according to the UN Global Compact principles and the OECD guidelines (Pilar I) and companies with a severe level of controversy according to Sustainalytics (Pilar II) are excluded. Then, as governance is a considerable part of the ESG rating, the sub-fund will naturally tilt the portfolio towards companies/countries with better governance scores (Pilar III). Finally, the sub-fund seeks to engage with companies on governance issues where it is believed that there is a reasonable chance of positively influencing their behaviour and positioning.

E. Proportion of investments

What is the planned asset allocation for this financial product?

The sub-fund will invest at least 80% of its NAV in equities and sovereign bonds that qualify as aligned with the E/S characteristics promoted (#1).

The sub-fund is allowed to invest up to 20 % of its NAV in cash, cash equivalents, commodities or derivatives (#2 Other).



#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.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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. Commodities: The sub-fund considers the following exclusions:
   - Agricultural or livestock commodities.

   For cyclical commodities, we incorporate carbon (EU Allowance, EUA) futures as part of our cyclical commodities basket (Energies and Industrial Metals). While we are not targeting a complete offset of the carbon footprint (i.e. carbon neutrality), adding EUA in the cyclical commodities basket offset a significant portion of it (circa 50% as of September 2021).

   For precious metals (gold and silver), we follow the Responsible Gold Guidance of the London Bullion Market Association (LBMA), effectively investing in LBMA approved good delivery gold or derivatives backed by such delivery. The Responsible Gold Guidance for good delivery refiners in order to combat serious abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice.

   In practice, this means using European Listed Physical ETPs backed by LBMA gold bars or gold forward contracts referenced by the London gold price.

3. Derivative instruments such as options (listed and OTC), futures, forwards and swaps (specifically interest rate swaps, inflation swaps, swaptions, index-based credit default swaps, single country credit default swaps, total/excess return swaps, excess return swaps, equity index swaps, bonds index swaps), that shall be used for portfolio management efficiency as well as for hedging purposes in order to reduce market risks.

Investments included under points (1) and (3) above do not follow any minimum environmental or social safeguards.

F. Monitoring of environmental or social characteristics

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

Equities:

KPI	Measure	Goal	Methodology
1. Relative Decarbonization	tCo2/mln$ Revenue	=<80%* total GHG intensity level of the Equity Index	Green House Gas (GHG) Intensity, which includes Scopes 1,2 & 3 upstream. Aggregation on the portfolio level.
2. Relative ESG Score Rank	unit	>=110%* ESG Score Rank of the Equity Index	Environmental, Social and Governance combined score, based on an internal methodology. Aggregation on the portfolio level. The ESG Score is calculated from 0 to 100, 0 being the worst and 100 being the best. More information on the internal methodology used to compute the ESG Score can be found at https://unigestionfile.blob.core.windows.net/public/922869b0-9540-4868-a56d-62a2ffbf58b0.PDF

Sovereign Bonds:

KPI	Measure	Goal	Methodology
1. Relative Decarbonization	KG/PPP $ of GDP	<total GHG intensity level of the Sovereign Index	Green House Gas (GHG) Intensity of the country. Aggregation on the portfolio level.
2. Relative ESG Score Rank	unit	>ESG Score Rank of the Sovereign Index	Environmental, Social and Governance combined score, based on an internal methodology. Aggregation on the portfolio level. The ESG Score ranges from 0 to 100, 0 being the worst and 100 being the best. More information on the internal methodology used to compute the ESG Score can be found at https://unigestionfile.blob.core.windows.net/public/922869b0-9540-4868-a56d-62a2ffbf58b0.PDF .
3. Green Bonds	% Allocation	>=50% of target country allocation	Only applicable to Government Green Bonds, while green bonds issued by supranational and regional entities or government-backed companies are excluded.

How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?

The monitoring of these indicators is done on an ongoing basis throughout the lifecycle of the sub-fund. In addition, the Investment Manager has a dedicated Responsible Investment Committee which is sponsored by Investment Manager's CEO that leads the development and integration of SRI principles into all the investment processes.

G. Methodologies

What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?

The methodology used to measure the attainment of the ESG characteristics promoted by the Sub-Fund is part of the third Pillar (for equities investments) and the second Pillar (for sovereign investments) of the investment strategy and supported through the continuous positive tilt toward investments with better ESG score and lower aggregate GHG intensity.

H. Data sources and processing

What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that 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 or 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
- Trucost
- ISS
- TPI
- IMF
- World Bank
- Witch Model

For sovereign investments, the ESG scores for countries are then built internally using the data provided externally as explained above.

I. Limitations to methodologies and data

If any, what are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the environmental or social characteristics and the actions taken to address such limitations)

The security selection can involve a significant element of subjectivity when applying ESG filters. Indeed, the way in which the sub-fund incorporates ESG factors in its investment processes may vary depending on the investment themes, asset classes, investment philosophy and subjective use of different ESG indicators governing the portfolio construction.

In addition, 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. As the sub-fund rely in part on this data in making investment decisions, such uncertainty in data collection may negatively impact portfolio performance. In addition, it should be noted that the consideration of extra-financial data when constructing portfolios may lead to the exclusion of certain issuers and imply the foregoing of certain investment opportunities that would nevertheless be available to a fund not considering such data.

J. Due diligence

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

Our aim of the strategy is to use a combination of quantitative and qualitative capabilities to identify a diversified set of companies and countries which aids investors to get exposure to an ESG conscious portfolio while controlling for various market risks and biases including crowding and valuation.

We create an ESG case for each of our candidate companies/countries.

We use various company/country and external data sources to gather ESG relevant information for each candidate (i.e., GHG, Net Zero targets and Process, exposure to green or brown activities, physical risk assessment and so on). We also verify the fundamental characteristics and soundness of the company/country.

If all of the above steps collectively check out and agreed upon with the ESG working group during the preliminary review, we invest in the candidate company/country.

For objectives as drafted within our 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.

K. Engagement policies

Is engagement part of the environmental or social investment strategy?

☒ Yes

☐ No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

For equity investments, step 3 (Pillar IV) of the investment strategy represents the sub-fund's engagement efforts. It entails that the sub-fund will seek to engage with companies on ESG issues where it is believed that there is a reasonable chance of positively influencing their behaviour and positioning.

The Investment Manager's proxy voting is carried out by the Investment Manager's proxy voting adviser called Institutional Shareholder Services (ISS) using an enhanced version of its International Sustainable Proxy Voting policy. The Investment Manager monitors the voting guidelines to ensure they are aligned with its approach to stewardship.

Engagement activities are directed by the Responsible Investment Committee (RIC) and conducted by the Corporate Engagement Team.

The engagement with the sub-fund's companies on a variety of Directors Related, Routine Business, Reorganisation and Merger, Health & Environment, Social/Human Rights, and Corporate Governance issues is done by writing a letter to corporate management voicing the concern and requesting that it be addressed. The intention is that this then sparks a dialogue with management through emails and phone conversations to clarify the RIC's position, personalise the engagement, and advocate for change. This includes proposals that affect:

- the composition, size, independence, election, removal and remuneration of the board of directors and committee members;
- appointment, remuneration and discharge of auditors; adoption of new articles of association;
- approval of charitable donations;
- approval of director/officer liability and indemnification;
- discussion on company's corporate governance structure;
- reorganisations and restructuring; mergers and acquisitions;
- initiation of share repurchase programme;
- approval of loan agreement; approval of transaction with a related party;
- adoption of proxy access rights;
- board diversity; climate change; community environmental impact;
- facility safety; phasing out nuclear facilities;
- review drug pricing or distribution; and
- review tobacco marketing

When the process does not involve companies and/or equities, the Investment Manager has other parallel considerations such as investing in green bonds in the case of sovereign investments that are considered relevant to the asset class (see Pillar III of the investment strategy of the sovereign investments portion).

L. Designated reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?

☐ Yes

☒ No