

3/ Pre-contractual disclosure template (Article 8 SFDR)

Product name:
Ofi Invest ESG Asia EM Ex China

Legal entity identifier:
213800NEWGZKLIQN9H89

Environmental and/or social characteristics

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

<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics. In order to assess issuers' environmental, social and governance practices, the Management Company relies on the internal ESG rating methodology.

The comparison SRI universe is consistent with the Sub-Fund's reference benchmark.

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

The sustainability indicators used to measure the attainment of each environmental or social characteristics promoted by the Sub-Fund are:

- The aggregated ESG score at fund level calculated in the process of the investment strategy. The methodology is detailed in the section on the investment strategy.
- The investment universe's ESG score, so as to verify that the global ESG score of the Sub-Fund overperforms that of the investment universe after removing the worst 20% of values.

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?

Not applicable

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

Principal adverse impact are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **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 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 not significant harm' principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

Yes

No

The methods of assessment by the Management Company of investee companies, for each of the principal adverse impacts linked to sustainability factors, are as follows:

Climate and other environment-related indicators		
Greenhouse gas emissions	1.GHG emissions	Scope 1 GHG emissions Scope 2 GHG emissions Scope 3 GHG emissions Total GHG emissions
	2 Carbon footprint	Carbon footprint (Scope 1, 2 and 3 GHG / EVIC emissions)
	3. GHG intensity of investee companies	GHG intensity of investee companies (Scope 1, 2 and 3 GHG / CA emissions)
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Biodiversity	7.Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas
Water	8. Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
Waste	9.Hazardous waste and radioactive waste ratio	Tons of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average

Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Social and employee matters	<p>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</p> <p>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</p> <p>12. Unadjusted gender pay gap</p> <p>13. Board gender diversity</p> <p>14. Exposure to controversial weapons</p>	<p>Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p> <p>Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises</p> <p>Average unadjusted gender pay gap of investee companies</p> <p>Average ratio of female to male board members in investee companies, expressed as a percentage of all board members</p> <p>Share of investments in investee companies involved in the manufacture or selling of controversial weapons</p>
Climate and other environment-related indicators		
Water, waste and material emissions	<p>9. Investments in companies producing chemicals</p> <p>Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</p> <p>16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery</p>	<p>Share of investments in investee companies the activities of which fall under Division 20.2 of Annex I to Regulation (EC) No 1893/2006</p> <p>Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery</p>

For more information, please refer to the “*Statement on the Principal Adverse Impacts of Investment Decisions on Sustainability Factors*”, which can be found on the Management Company’s website [in French]: www.ofi-invest-am.com/finance-durable.



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 investment strategy of the Sub-Fund aims to construct a portfolio by investing in mainly in equity securities, equity-related and equity-index securities (synthetic equity exposure), that are listed or dealt in on Regulated Markets or Other Regulated Markets in the world and that are representative of companies and issuers having their registered office or exercising a main part of their economic activities in Asian emerging markets excluding China.

In order to achieve its investment objective, the Sub-Fund will base its investments on fundamental financial and extra-financial research in the selection of individual securities.

For more information on the investment strategy, please refer to Section 13. “Summary of the Sub-Funds”.

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 elements of the investment strategy used to select the investments to attain each of the environmental and social characteristics promoted by the Fund are as follows:

The Sub-Fund adopts an ESG ‘rating improvement’ approach, which consists of achieving an average ESG rating of the portfolio higher than the average ESG rating of the comparable SRI universe which the Management Company considers a relevant comparison element for the ESG rating of the fund in view of its strategy: Bloomberg Asia Emerging Markets Ex China Large & Mid Cap UCIT Total Return, after eliminating 20% of the index weighting.

The proportion of stocks undergoing an ESG analysis in the portfolio must be higher than 90% of the Sub-Fund’s net assets (excluding cash, UCIs and derivatives).

To assess ESG practices, the Sub-Fund takes into account the following pillars and themes:

- Environmental: Climate Change – Natural Resources – Project Financing – Toxic Waste – Green Products.
- Social: Human Capital – Supply Chain – Goods and Services – Human rights and communities.
- Governance: Governance Structure – Behavior.

The ESG analysis team defines a sectoral benchmark of key issues (ESG listed above), selecting the most important issues for each sector of activity. Based on this benchmark, an ESG score is calculated out of 10 for each issuer, which includes, on the one hand, the

scores of the key E and S issues and, on the other hand, the G issues as well as any potential bonuses/penalties.

Among the indicators used to establish this ESG score are:

- Scope 1 carbon emissions in tons of CO₂, water consumption in cubic meters, nitrogen oxide emissions in tons for the environmental pillar;
- information security policies in place and the frequency of system audits, the number of fatal accidents, the percentage of the total workforce represented by collective agreements for the social pillar;
- the total number of directors, the percentage of independent board members, total compensation as a percentage of fixed salary for the governance pillar.

Issuers' ESG scores are calculated quarterly, while underlying data are updated at least every 18 months. Ratings can also be adjusted by analysis of controversies or as a result of engagement initiatives. This analysis is carried out using a dedicated proprietary tool for automating the quantitative processing of ESG data (mainly provided by ESG score agencies, but also by specialized agencies), combined with an analysis by the ESG analysis team.

The weighting of the E, S, and G pillars of each sector, as well as the justification in case of a weight below 20%, are detailed in the document available at the following address: www.ofi-invest-am.com/fr/politiques-et-documents.

However, one may face certain methodological limitations such as:

- a problem of missing or incomplete publication by some companies on information used as input for the rating model;
- a problem related to the quantity and quality of ESG data to be processed.

Details of the issuers' ESG score methodology are provided in the document entitled "Responsible Investment Policy". This document is available at: www.ofi-invest-am.com/pdf/principes-et-politiques/politique-investissement-responsable.pdf.

Ofi Invest Asset Management ("Ofi Invest AM") has also identified risk areas for its investments in relation to certain business sectors and international benchmarks. Therefore, the Management Company has introduced exclusionary policies to minimize these risks and manage its reputational risk.

Therefore, the Sub-Fund complies with the policies summarized in the document entitled "Investment Policy - Sector-based and Norm-based Exclusions". This document is available at: www.ofi-invest-am.com/pdf/principes-et-politiques/politique-exclusions-sectorielles-et-normatives_ofi-invest-AM.pdf and includes the Climate Transition Benchmark and Paris-Aligned Benchmark exclusions in accordance with the ESMA Guidelines on funds' names using ESG on sustainability-related terms.

The exclusion policies are available in full at: www.ofi-invest-am.com.

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

Not applicable.

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

Several policies are implemented to evaluate the good governance practices of investee companies:

1. The analysis of governance practices within the ESG analysis (pillar G). For each Issuer, the ESG analysis includes an analysis of the company's governance, with indicators revolving around:
 - its governance structure: Respect for the rights of minority shareholders – Composition and functioning of Boards or Committees, Remuneration of Executives, Accounts, Audit and Taxation; and
 - its Market Behavior: Business Practices.
2. The weekly monitoring of ESG controversies: the ESG analysis also takes into account the presence of controversies on the issues above-mentioned and their management by the issuers.
3. Ofi Invest AM's exclusion policy related to the UN Global Compact, including to its 10th principle: "Businesses should work against corruption in all its forms, including extortion and bribery"³. Under this policy, companies that face controversies of a high or very high level of severity with respect to the 10 Principles of the Global Compact, recurring frequently or repeatedly, and have inadequate remedial measures in place, are excluded from the investment universe.
4. The voting and shareholder⁴ engagement policy: This policy is based on the most rigorous governance standards

³ pactemondial.org/decouvrir/dix-principes-pacte-mondial-nations-unies/#lutte-contre-la-corruption

⁴ This policy applies according to the asset class of the UCIs and therefore, primarily to UCIs exposed to equities.

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

(G20/OECD Principles of Corporate Governance, AFEP-MEDEF Code, etc.). Firstly, in connection with the voting policy, the Management Company may have recourse to several actions in the context of general meetings (dialogue, written questions, filing of resolutions, protest votes, etc.). In addition, the engagement policy is reflected in dialogue with certain companies, not only in order to have additional information on their CSR strategy, but also to encourage them to improve their practices, particularly in terms of governance.



What is the asset allocation planned for this financial product?

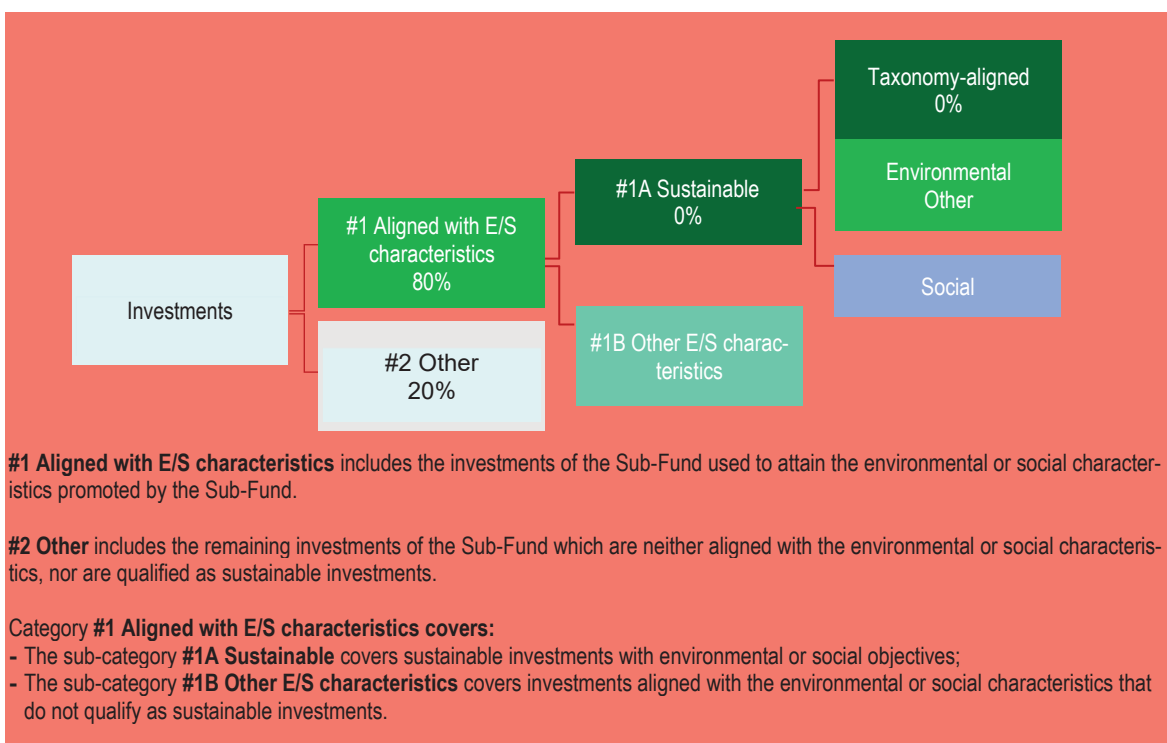
The Sub-Fund has at least 80% of its investments used to attain the environmental and social characteristics promoted (#1 Aligned with E/S characteristics).

A maximum of 20% of the investments of the financial (including maximum 10% of non-ESG rated assets) will be derivatives, cash and/or cash equivalent (excluding monetary UCIs classified as Article 8 according to SFDR and managed by Ofi Invest AM) held for liquidity purposes, the use of which is limited to very specific situations and short periods of time (#2 Other).

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.



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

The use of derivatives will not aim to attain E/S characteristics. However, their use will not have the effect of significantly or permanently impinging on the environmental and/or social characteristics promoted by the Sub-Fund.



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

The Sub-Fund does not currently make any minimum commitments to align its activities with the Taxonomy Regulation. Accordingly, the minimum investment percentage aligned with the EU Taxonomy to which the Sub-Fund commits is 0%.

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.

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.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

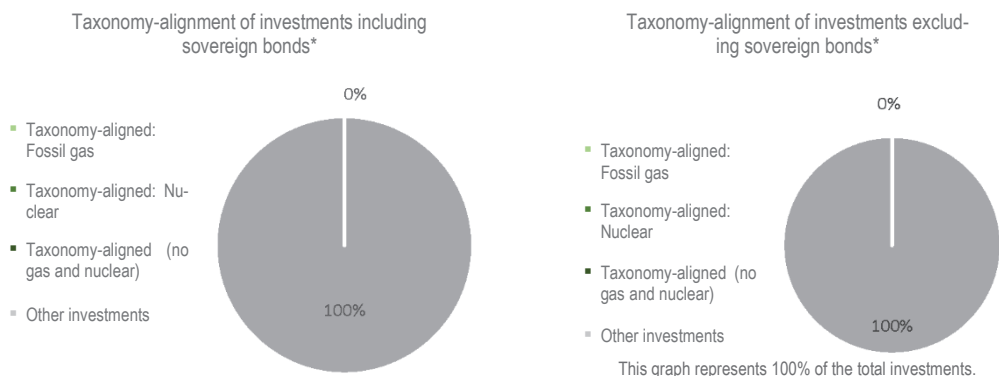
Yes

In fossil gas In nuclear energy

No

¹Fossil 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.

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 Sub-Fund including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the Sub-Fund 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 minimum share of investments in transitional and enabling activities is set at 0%.



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

The Sub-Fund does not commit to a minimum share of sustainable investments.



● **What is the minimum share of socially sustainable investments?**

Not applicable.

are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy



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

These investments represent a maximum of 20% of the Sub-Fund's investments will consist of:

- Cash and/or cash equivalent (excluding monetary UCIs classified as Article 8 according to SFDR regulations and managed by Ofi Invest AM) within a total limit of 20%,
- Financial derivative instruments, used as defined by the investment policy of the Sub-Fund, within a total limit of 20%,
- Non ESG-rated assets, within a total limit of 10%.



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?

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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



Where can I find more product specific information online?

More product-specific information can be found on the website: www.ofi-invest-lux.com/fund/ofi-invest-esg-asia-em-ex-china-class-i-eur/LU0286062228.