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: ECHIQUIER POSITIVE IMPACT EUROPE

Legal entity identifier: 969500MLEM89WPLKT638

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ **Yes**

☒ It will make a minimum of **sustainable investments with an environmental objective: 20%**

- ☐ 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 will make a minimum of**sustainable investments with a social objective: 20%**

☐ **No**

☐ It **promotes environmental and social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

- ☐ 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 promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

The objective of the financial product is to invest in companies that have a concrete positive environmental and social impact and thus contribute to the 17 UN Sustainable Development Goals. Thereby contribute to financing the transition to a more sustainable economy.
The “impact” management process of this fund incorporates extra-financial criteria to a significant extent.

Sustainability indicators are used to verify if the financial product complies with the environmental or social characteristics promoted by the financial product.

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

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

Indicator	Associated constraints
GREaT ESG analysis methodology	At least 30% of the securities in the Analysis Universe as defined in the Product’s prospectus are excluded. To attain this rate, the following filters are applied: sector or norm-based exclusions related to the management company's policies, exclusions based on the ESG rating of issuers (according to the proprietary ESG analysis methodology GREaT).
Key Performance Indicators	The financial product aims to obtain a better rating than that of its Analysis Universe on the following specific indicators: - Net Zero trajectory: Proportion of companies with greenhouse gas emission reduction targets validated by the SBTi - Human rights: The indicator measures the share of investments in companies that have signed the United Nations Global Compact.
Investments in environmentally or socially sustainable activities	At least 80% of the net assets of the Financial Product will be invested in environmentally or socially Sustainable Investments, as defined above.
Low-carbon transition of emitters with a high impact on the climate	The financial product ensures that at least 15% of issuers in the “high-impact climate sectors” as described in Delegated Regulation (EU) 2022/1288 ("SFDR Delegated Regulation") have a credible transition plan with regard to the climate targets set by the Paris Agreement, according to the Management Company’s analysis.

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

In order to ensure that an investment contributing to a sustainability objective, according to the analysis method presented above, does not cause significant harm to any environmental or social sustainable investment objective, the methodology applied systematically considers, on a cumulative basis:
- The issuer's practices relating to its management of human rights and environmental resources.
This point is controlled using the proprietary "GREaT" extra-financial analysis methodology
- The issuer's exposure to sectors that are sensitive in terms of environmental and social aspects (such as thermal coal, controversial weapons, tobacco, gambling, etc.) in connection with the exclusion policies applicable in the Management Companies of the LBP AM Group. A more complete description of the exclusions is available in the "Exclusion Policy" document available on the Management Company's website (https://www.lfde.com), in the "Responsible Investment" section, on the "To find out more" page, under "LFDE Documents - Approach and Methodologies".
- The issuer's exposure to a severe controversy on environmental, social and governance issues, or a critical risk of serious breach of the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights.

The contribution to one of the aforementioned environmental and social objectives is assessed using various sources, including:
For all environmental and social objectives:
- The "GREaT" score, the proprietary quantitative analysis methodology of the LBP AM Group, which covers all environmental and social objectives,
- The "SDG" score, a proprietary qualitative analysis of LFDE that assesses companies' products, services and practices with a view to measuring their contribution to achieving the United Nations Sustainable Development Goals (SDGs).
For objectives specific to climate and biodiversity:
- The issuer's commitment to a decarbonisation trajectory in its activities compatible with the objectives of the Paris Agreement, according to criteria defined by the Management Company,
- The "Greenfin" score, a quantitative indicator measuring the exposure of the business model of an issuer to green activities as defined by the French government label Greenfin, dedicated to financing the energy and ecological transition,
- The "Bird" score, a proprietary quantitative indicator of the LBP AM Group that aims to assess companies primarily on their policies as well as on their practices and impacts related to biodiversity,
- The "Climate & Biodiversity Maturity" score, a proprietary qualitative analysis of LFDE that aims to assess the maturity of companies in their consideration of the current and future climate and biodiversity issues they face.

For the specific theme of access to healthcare:
- The "AAAA" (Acceptability, Accessibility, Affordability, Availability) score, a proprietary qualitative analysis of LFDE that aims to assess the contribution of companies through their products and services to the four dimensions of access to healthcare (Availability, Geographical Accessibility, Financial Accessibility, Acceptability) inspired by the work of the World Health Organization (WHO) on the subject.

Additional information about the various scores is available in the "SFDR – Sustainable Investment Methodology" document available on the Management Company's website (https://www.lfde.com), in the "Responsible Investment" section, on the "To find out more" page, under "LFDE Documents - SFDR".

- ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Commission Delegated Regulation (EU) 2022/1288 (hereinafter the "SFDR Delegated Regulation") defines a list of indicators to measure the adverse impacts of an issuer on environmental and social sustainability factors (hereinafter the "adverse impact indicators"). The adverse impact indicators are calculated for each issuer, when the data is available and integrated into the extra-financial analysis tool.
Some indicators have been directly integrated, either into the proprietary GREaT scoring methodology used to identify both a positive contribution or significant adverse impact, or into the controversy indicator mentioned above, or into the exclusion policies. The principal adverse impacts are also taken into account through the shareholder engagement approach with companies in order to improve their transparency on these indicators and reduce their negative externalities.

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

In order to ensure that the sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guidelines on Business and Human Rights, the Management Company systematically controls:
- The proper application of the Management Company's exclusion policy relating to these international treaties and the process for ad hoc controversy monitoring.
- The disqualification of issuers identified as having poor practices on the "Sustainable Resource Management" pillar of the GREaT analysis methodology, which incorporates criteria relating to respect for human rights and labour law.

A more complete description of the thresholds applied for each criterion is available in the "SFDR – Sustainable Investment Methodology" document accessible on the Management Company's website (https://www.lfde.com), in the "Responsible Investment" section, on the "To find out more" page, under "LFDE Documents - SFDR".

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria. The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account European Union 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

Regarding the adverse impacts, this financial product takes into account 14 mandatory indicators from Table 1 of Annex I of European Commission Delegated Regulation (EU) 2022/1288, and also includes the following two additional indicators:
- investments in companies without carbon reduction initiatives
- investments in companies without a workplace accident prevention policy

They are taken into account in the various areas of the management company's responsible investment approach: through the exclusion policy (sectoral and norm-based), the ESG analysis methodology, the various impact scores, the measurement and management of ESG performance indicators and engagement with companies.

Additional information about how the principal adverse impacts are taken into account is available in the document "Article 4 SFDR: Principal adverse impacts" accessible on the Management Company's website (https://www.lfde.com), in the "Responsible Investment" section, on the "To find out more" page, under "LFDE Documents - SFDR".

Moreover, the Financial Product aims to obtain a better rating than that of its investment Universe on the following indicators:
- Net Zero trajectory: Proportion of companies with greenhouse gas emission reduction targets validated by the SBTi
- Human rights: The indicator measures the share of investments in companies that have signed the United Nations Global Compact.

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.

What investment strategy does this financial product follow?

Echiquier Positive Impact Europe is a stock-picking fund. It invests in companies in the European equity universe that stand out for their good governance and the quality of their social and environmental policies, and whose activity provides solutions to sustainable development issues.

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

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

The binding elements used to select investments and achieve the environmental and social characteristics promoted by the fund are as follows:
- the Management Company's exclusion policy and the resulting sectoral or norm-based exclusion constraints.
- the restrictions defined by the French government's SRI Label in terms of additional sector exclusions and reduction of the investment universe.
- the binding ESG assessment of each of the issuers in the portfolio via a quantitative analysis using the GREaT scoring tool (proprietary methodology of the LBP AM group) - constraints associated with the sustainability indicators presented in the section "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?" above.
- a minimum impact score as defined in the Management Company's Impact Doctrine accessible on its website (https://www.lfde.com), in the "Responsible Investment" section, on the " To find out more " page, under "LFDE Documents – Approaches and Methodologies" section.

Lastly, the fund also applies exclusions on companies linked to activities considered to be non-aligned with the Paris Agreement on climate change (coal extraction, oil, etc.), in light of the ESMA naming rules.

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?***

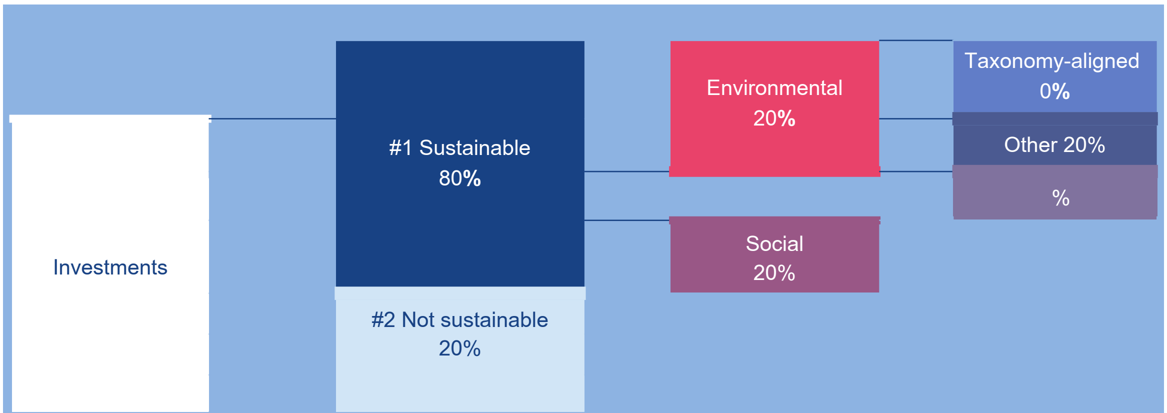
The monitoring of the application of good governance principles by issuers is controlled by means of a quantitative indicator derived from the proprietary "GREaT" analysis methodology, the "Governance" pillar notably covering issues such as balance of powers, fair remuneration and business ethics.

If this quantitative assessment of the Governance pillar appears to be insufficient or in the case of a significant controversy, the management team will also carry out a qualitative analysis of the governance.

In addition, the Management Company encourages good governance practices through its engagement and voting policy, which deals in particular with the issues of balanced remuneration, value sharing between senior managers and employees, and diversity and parity within management bodies.

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

The financial product invests at least 80% of its assets in assets considered "eligible" according to the ESG process implemented - therefore in investments that are aligned with the environmental and social characteristics promoted (#1 Sustainable). Up to 20% of investments may not be aligned with these characteristics (#2 Not sustainable).
A more detailed description of the specific asset allocation of this financial product can be found in its prospectus.



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

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

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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Any derivatives authorised/used by the financial product are not intended to contribute to achieving the environmental or social characteristics promoted. Their use is limited to hedging or temporary exposure in order to cover a strong movement in liabilities, to gain temporary exposure to market beta or to accompany a change in strategy. Furthermore, the Management Company ensures that the use of derivatives does not run counter to the environmental or social characteristics promoted by the financial product. In particular, the Management Company does not use derivatives to artificially improve the product's extra-financial performance. The constraints relating to the use of derivatives are specified in the pre-contractual documentation for the financial product.

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

The financial product may invest in environmentally sustainable economic activities, however the investments of this financial product do not take into account the European Union criteria for environmentally sustainable economic activities. The financial product is committed to a 0% alignment with the European Taxonomy.

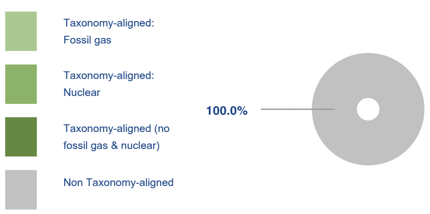
○ ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?***[1]

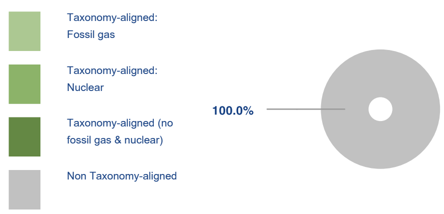
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments 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?***

The financial product does not commit to a minimum proportion of investment in transitional and enabling activities.

are sustainable investments with an environmental objective 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?

This product intends to invest part of its assets in sustainable investments. These investments may contribute to environmental or social objectives, without any commitment being made as to the minimum share of each one. Thus, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 20%.

What is the minimum share of sustainable investments with a social objective?

This product intends to invest part of its assets in sustainable investments. These investments may contribute to environmental or social objectives, without any commitment being made as to the minimum share of each one. Thus, the minimum share of sustainable investments with a social objective is 20%.

(1) Fossil gas and/or nuclear 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 in the sectors that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What investments are included in the "#2 Not sustainable" category, what is their purpose and are there any minimum environmental or social safeguards?

Investments included in the category "#2 Other" of the financial product represent up to 20% of investments. Depending on the eligible instruments as defined in the product's prospectus, these may include derivatives traded on regulated or organised markets to expose and hedge the portfolio, cash and unrated issuers.
Derivatives and cash do not provide environmental or social safeguards.

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

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 information about the product is available on the website:

More information about the Management Company's extra-financial approach can be obtained through the documents available on its website (https://www.lfde.com), in the "Responsible Investment" section, on the "To find out more" page, under "LFDE Documents - SFDR".
Additional information about the fund, in particular its regulatory documentation, is available on the Management Company's website (www.lfde.com), under the "Our Funds" section.