



AAF Amundi European ESG Equities

Website Product Disclosure



ABN·AMRO Investment Solutions

No Sustainable Investment Objective

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

Environmental/social characteristics

The analysis of ESG factors is systematically integrated into the investment decision making process of ABN AMRO Funds Amundi European ESG Equities (the “Sub-Fund”). The External Investment Manager defines ESG integration as the process of recognising the financial materiality (or significance) of environmental, social and corporate governance factors as part of the investment process. The Sub-Fund will use a selection of securities complying with ABN AMRO Investment Solutions (the “Management Company”) ESG responsibility criteria. The External Investment Managers must comply with the Management Company’s standards of quality and go through a qualitative selection process before being retained. This process involves an in-depth analysis of the External Investment Manager’s corporate social responsibility policy as well as its overall sustainability strengths going from the analysis of ESG professionals, philosophy and investment process. Under the ESG responsibility criteria of the Management Company, the External Investment Manager is committed to conducting both negative and positive screenings as well as taking engagement actions when necessary. The Sub-Fund will be composed of issuers that are flexible in ESG best-practice.

The Sub-Fund promotes both environmental and social characteristics. On the environmental front, the Sub-Fund promotes climate risk management. The social characteristics promoted by the Sub-Fund focus on global human rights, labour standards as well as diversity, equity and inclusion.

Investment Strategy

The Sub-Fund invests primarily in companies domiciled or exercising a major part of their economic activity in Europe. The External Investment Manager’s investment process is based on bottom-up fundamental stock selection. The Fund focuses on buying viable business models that are trading at a discount to their intrinsic value. ESG analysis is an essential pillar of the External Investment Manager’s fundamental assessment of a business model. More specifically, in terms of ESG analysis, the External Investment Manager relies on ESG ratings and qualitative inputs provided by the internal ESG analysis team.

ESG is fully integrated into the stock selection process as part of the bottom-up analysis. The outcome of the ESG materiality assessment may impact the External Investment Manager’s assessment in different ways. Structural ESG deterioration could potentially reduce long-term top line growth assumptions and impair the External Investment Manager’s sustainable earnings power assessment and therefore reduce the company’s intrinsic value.

The External Investment Manager’s in-house ESG Rating scale contains seven grades, ranging from A (best) to G (worst). The rating is a relative rating, reflecting the ESG performance of a company compared to the average performance of its industry. To assign an ESG rating to all the companies in its universe, the External Investment Manager has developed a proprietary ESG rating methodology combining a quantitative and qualitative analysis. Using a Best-in-Class approach, the ESG analysts oversee defining the most relevant quantitative ESG external data criteria for each sector and weighting them by sector. The purpose is to identify the most relevant ESG key risks and opportunities by sector. In addition to ESG ratings, the ESG analysts integrate qualitative inputs by performing an in-depth analysis on selected issuers.

Proportion of Investment

The Sub-Fund plans to invest at least 90% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics). Consequently, up to 10% of the investments may not be aligned with these characteristics.

Monitoring of the Environmental/Social characteristics

When the Management Company delegates part of the management of the Sub-Fund to External Investment Managers, controls are performed at two levels. With respect to pre-trade controls, the External Investment Managers perform controls using their own frameworks as well as including the guidelines given by the Management Company. With respect to post-trade controls, these are performed at both the External Investment Managers’ and the Management Company’s level, each using their own frameworks.

The sustainability indicators used by the External Investment Manager as part of their proprietary ESG scoring are continuously made available in their portfolio management system, allowing the portfolio managers to assess the impact of their investment decisions. These indicators are then embedded within the External Investment Manager's control framework, in which responsibilities are spread between (i) the first level of controls, performed by the Investment teams themselves, and (ii) the second level of controls, performed by the Risk teams. Together, the teams monitor on an ongoing basis the compliance of the Sub-Fund with the environmental and/or social characteristics that it promotes.

The Management Company, through its Business Control & Oversight team, performs periodic ex-post controls to ensure that the portfolio complies with the commitments made. If a "non-compliant matter" is detected by the Management Company, its Business Control & Oversight team will first analyse it and engage in dialogue with the External Investment Manager if necessary. Depending on the nature of the non-compliance, the Management Company's ESG team may decide to monitor it using its proprietary "ESG Watchlist". If the non-compliance persists over time, an escalation process is put in place by the Management Company to ensure a timely remediation plan in the best interest of shareholders.

Data sources and processing

The Management Company monitors the attainment of the environmental and/or social characteristics of the Sub-Fund using its own data providers. The Management Company uses three external data providers as its main sources. Once collected from these sources, the data is integrated and stored in the internal front-to-back tool and/or available in the Management Company's dedicated data management system (which directly and continuously obtains data from the providers). Information is also available via dedicated portals developed by external data providers, access to which is limited to specific users of the Management Company.

The External Investment Manager sources ESG Score data from four main external data providers. The data is collected and controlled by the External Investment Manager's Global Data Management team. The data is then plugged into the Stock Rating Integrator (SRI) module that ensures the collection, quality check and processing of ESG data, as well as calculates the ESG ratings of issuers. These ratings are then displayed for the portfolio managers, risk, reporting and ESG teams, and are monitored by the Risk team.

Both the Management Company and the External Investment Manager have a thorough data provider selection process in place, and remain in continuous dialogue with the data providers.

Due Diligence

The Management Company carries out due diligences for the selection of delegated strategies as well as for open-ended investment funds. The Manager Due Diligence analysts' team (MDD) identifies and selects high quality investment strategies and monitors the universe of approved strategies. The MDD team focuses on all investment and sustainability-related elements of an investment strategy. The Management Company's in-depth analysis is based on a "5-P approach": Parent, People, Process, Portfolio and Performance. Each of the previously outlined aspects is evaluated and ultimately leads to a final rating of the strategy. As part of the monitoring process, the MDD team periodically reviews the performance of the strategy to ensure that it remains aligned with the investment style of the portfolio. The ESG team supports the MDD team in reviewing the process and methodologies implemented by the external asset managers when considering ESG and sustainability issues. The ESG team provides qualitative feedback during the selection phase and supports the MDD team throughout its analysis process, using the "5-P approach" aforementioned. In addition, during the monitoring phase, the ESG team will monitor the Sub-Fund's characteristics and performance related to the environmental and/or social characteristics defined (including the review of underlying investments).

The External Investment Manager relies on a proprietary ESG Score, against which issuers are monitored on an ongoing basis. Any news on controversies is factored in the ESG analysis, and impacts on issuers are proactively assessed. ESG analysts also monitor the trends of business sectors as well as climate-related metrics. Each month, ESG scores are calculated, and the result of this calculation is reviewed by ESG analysts, who perform a qualitative control. Analysts may override a calculated score, provided that the score has been validated by the management of the team, and is documented in the External Investment Manager's database. This can also be subject to a validation of the ESG Rating Committee.



No sustainable investment objective

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



Environmental/social characteristics of the financial product

The analysis of ESG factors is systematically integrated into the investment decision making process of ABN AMRO Funds Amundi European ESG Equities (the “Sub-Fund”). The External Investment Manager defines ESG integration as the process of recognising the financial materiality (or significance) of environmental, social and corporate governance factors as part of the investment process. The Sub-Fund will use a selection of securities complying with ABN AMRO Investment Solutions (the “Management Company”) ESG responsibility criteria. The External Investment Managers must comply with the Management Company's standards of quality and go through a qualitative selection process before being retained. This process involves an in-depth analysis of the External Investment Manager's corporate social responsibility policy as well as its overall sustainability strengths going from the analysis of ESG professionals, philosophy and investment process. Under the ESG responsibility criteria of the Management Company, the External Investment Manager is committed to conducting both negative and positive screenings as well as taking engagement actions when necessary. The Sub-Fund will be composed of issuers that are flexible in ESG best-practice.

The Sub-Fund promotes both environmental and social characteristics. On the environmental front, the Sub-Fund promotes climate risk management. The social characteristics promoted by the Sub-Fund focus on global human rights, labour standards as well as diversity, equity and inclusion.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.



Investment Strategy

Description of the strategy

The Sub-Fund invests primarily in companies domiciled or exercising a major part of their economic activity in Europe. The External Investment Manager's investment process is based on bottom-up fundamental stock selection. The Fund focuses on buying viable business models that are trading at a discount to their intrinsic value. ESG analysis is an essential pillar of the External Investment Manager's fundamental assessment of a business model. More specifically, in terms of ESG analysis, the External Investment Manager relies on ESG ratings and qualitative inputs provided by the internal ESG analysis team.

ESG is fully integrated into the stock selection process as part of the bottom-up analysis. The outcome of the ESG materiality assessment may impact the External Investment Manager's assessment in different ways. Structural ESG deterioration could potentially reduce long-term top line growth assumptions and impair the External Investment Manager's sustainable earnings power assessment and therefore reduce the company's intrinsic value. Should the External Investment Manager determine that a period of ESG weakness is temporary in nature, the External Investment Manager would be comfortable to invest in the company, however it would typically account for this weakness by (i) requiring a higher margin of safety (ii) increasing liabilities.

The External Investment Manager in-house ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. The rating is a relative rating, reflecting the ESG performance of a company compared to the average performance of its industry. To assign an ESG rating to all the companies in its universe, the External Investment Manager has developed a proprietary ESG rating methodology combining a quantitative and qualitative analysis. Using a Best-in-Class approach, the ESG analysts oversee defining the most relevant quantitative ESG external data criteria for each sector and weighting them by sector. The purpose is to identify the most relevant ESG key risks and opportunities by sector.

In addition to ESG ratings, the ESG analysts integrate qualitative inputs by performing an in-depth analysis on selected issuers. The coverage of a company is triggered by (i) the requests of portfolio managers to cover non-rated issuers, (ii) the level of exposure of the External Investment Manager to the investee companies, (iii) the annual Engagement campaign, (iv) the issuers with a particularly weak ESG rating for a given criterion, (v) the quarterly controversies screening.

Good governance practices

As part of its “Good Governance Policy”, the Management Company of the Sub-Fund determines if a company does not follow good governance practices. Companies that do not follow good governance practices are excluded from the initial investment universe of the Sub-Fund and will fall in the Good Governance exclusion List. The Good Governance principles, integrated into the AAIS “exclusion policy”, are data driven and qualitative in nature. For purposes of the Good Governance test, the Management Company has defined criteria related to widely recognized industry- established norms, as set forth below:

SFDR Component	Indicator	Exclusion Criteria	Description
Sound Management Structure	UN Global Compact - Principle 10	Watchlist and Non-Compliant status	Principle 10 of the UN Global Compact is related to anti-bribery and corruption and states businesses should work against corruption in all its forms, including extortion and bribery.
	Governance controversy assessment	High & Severe Levels	As part of the controversy assessment, the following topics are included: accounting irregularities, bribery and corruption, anti-competitive practices, sanctions as well as board composition.
Employee Relations	UN Global Compact – Principles 3, 4, 5 and 6	Watchlist and Non-Compliant status	Principle 3, 4, 5 and 6 of the UN Global Compact are related to labour conditions. The principles state that businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.
	Social Controversy Assessment	High & Severe Levels	As part of the controversy assessment, the following topics are included: freedom of association, child/forced labour, health and safety, community relations, respect of human rights, labour standards, discrimination, and harassment.
Tax Compliance	Governance Controversy Assessment	High & Severe Levels	As part of the controversy assessment, taxes avoidance and evasion are taken into consideration.
Remuneration of Staff	Governance Controversy Assessment	High & Severe Levels	As part of the controversy assessment, remuneration is taken into consideration.

The External Investment Manager ESG scoring is based on a proprietary ESG analysis framework, which accounts for general and sector-specific criteria, including governance criteria. In the Governance dimension, the External Investment Manager assesses an issuer’s ability to ensure an effective corporate governance framework that guarantees it will meet its long-term objectives. The governance sub-criteria considered are

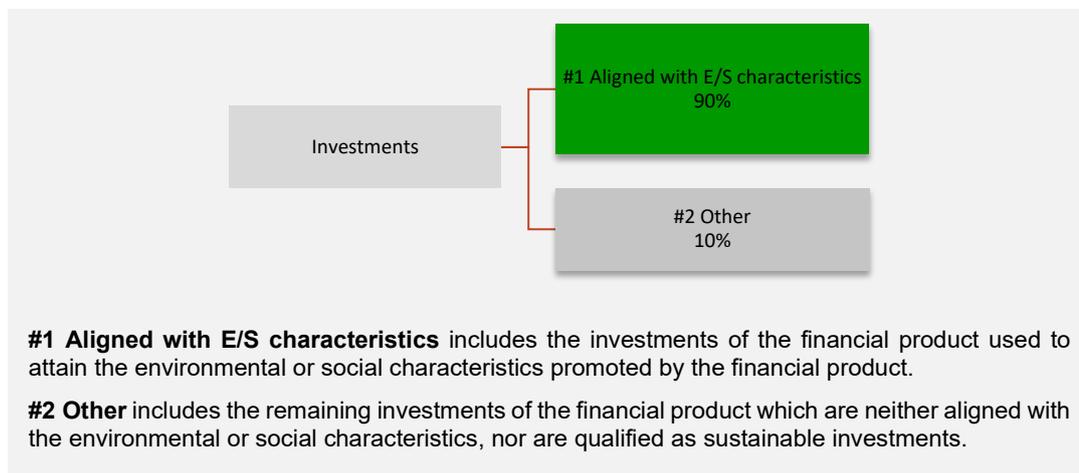
board structure, audit and control, remuneration, shareholders' rights, ethics, tax practices and ESG strategy. The External Investment Manager ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. G-rated companies are excluded from the investment universe.



Proportion of investments

The Sub-Fund invests at least 90% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics)).

Up to 10% of the investments are not aligned with these characteristics (#2 Other). “#2 Other” includes derivatives, funds (including Exchange Traded Funds) and bank deposits at sight, including cash held in current accounts with a bank accessible at any time. These are used for Investment, hedging and efficient management portfolio purposes. There are no minimum environmental or social safeguards associated with these investments. A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus.



Monitoring of environmental or social characteristics

When the Management Company delegates part of the management of the Sub-Fund to External Investment Managers, controls are performed at two levels. With respect to pre-trade controls, the External Investment Manager performs controls using their own frameworks as well as including the guidelines given by the Management Company. With respect to post-trade controls, these are performed at both the External Investment Manager's and the Management Company's level, each using their own frameworks.

- **External Investment Manager:** The External Investment Manager relies on proprietary ESG scoring, using certain sustainability indicators. These indicators are continuously made available in the portfolio management system of the External Investment Manager, allowing the portfolio managers to assess the impact of their investment decisions. These indicators are then embedded within the External Investment Manager's control framework, in which responsibilities are spread between (i) the first level of controls, performed by the Investment teams themselves, and (ii) the second level of controls, performed by the Risk teams.

At the first level of controls, the External Investment Manager's investment management team is responsible for defining the investment process of the product. This includes designing the appropriate risk framework in collaboration with the investment risk teams. In this context, the External Investment Manager has an investment guideline management procedure as well as a breach management procedure applying across all operations. Both procedures reiterate strict compliance with regulations and contractual guidelines.

At the second level of controls, risk managers of the External Investment Manager are in charge of monitoring breaches on a day-to-day basis. When a breach is detected, risk managers are responsible for alerting fund managers and requiring that portfolios are brought back into compliance as soon as possible and in the best interest of investors.

Together, the teams monitor on an ongoing basis the compliance of the Sub-Fund with the environmental and/or social characteristics that it promotes.

- **Management Company:** The monitoring of environmental or social characteristics of the investment product is ensured through a dedicated control framework. The Management Company, through its Business Control & Oversight team, performs periodic ex-post controls to ensure that the portfolio complies with the commitments made. If a "non-compliant matter" is detected by the Management Company, its Business Control & Oversight team will first analyse it and engage in dialogue with the External Investment Manager if necessary. Depending on the nature of the non-compliance, the Management Company's ESG team may decide to monitor it using its proprietary "ESG Watchlist". If the non-compliance persists over time, an escalation process is put in place by the Management Company to ensure a timely remediation plan in the best interest of shareholders.



Methodologies

ESG analysis is systematically integrated into the investment decision making process. As part of its ESG framework, the Management Company uses the following sustainability indicators to measure the achievement of each of the environmental or social characteristics promoted by the Sub-Fund:

- **Absence of companies that do not meet the criteria defined in the Management Company's Exclusion List and that are deemed incompatible with the E/S promotion (e.g. tobacco, controversial weapons).**
- **Controversy Level Assessment - Controversy involvement is a key measure of ESG performance. Controversy level assessment reflects a company's level of involvement in issues and how it manages those issues.**
- **Compliance with the UN Global Compact - The United Nations Global Compact is the world largest corporate sustainability initiative aimed at encouraging businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment, and anti-corruption. The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.**
- **ESG Risk Scores - ESG risk scores measure a company's exposure to material industry-specific ESG risks and how the company manages those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk.**
- **Scope 1 GHG Emissions - Scope 1 emissions emanate from a company's internal operations, including on-site energy production, vehicle fleets, manufacturing operations, and waste.**
- **Scope 2 GHG emissions - Scope 2 emissions are indirect emissions generated by the production of energy used by the company.**



Data sources and processing

The Management Company monitors the attainment of the environmental and/or social characteristics of the Sub-Fund using its own data providers.

The Management Company uses three external data providers as its main sources:

- The Management Company assesses the environmental and/or social characteristics of the Sub-Fund's constituents using the external data provider Sustainalytics. The Management Company uses Sustainalytics for ESG risk scores, controversies, product involvement as well as alignment with global standards (e.g., OECD Guidelines for Multinational Enterprises).
- The Management Company uses Morningstar to analyse the Sub-Fund's peer group, as well as for various ESG data calculations at portfolio level.
- The Management Company uses the data provider ISS for climate and impact data.

Once collected from these sources, the data is integrated and stored in the internal front-to-back tool and/or available in the Management Company's dedicated data management system (which directly and continuously obtains data from the providers). Information is also available via dedicated portals developed by external data providers, access to which is limited to specific users of the Management Company. The Management Company verifies that the data is available, reported (or calculated), and dependable over time. On a case-by-case basis (e.g., if an ESG score is missing), the Management Company may use other sources of information to form its own opinion regarding the ESG suitability of any investment opportunity with the Sub-Fund's strategy.

The External Investment Manager sources ESG Score data from four main external data providers: Moody, ISS-Oekom, MSCI, and Sustainalytics. The data is collected and controlled by the External Investment Manager's Global Data Management team. The data is then plugged into the SRI (Stock Rating Integrator) module, a proprietary tool that ensures the collection, quality check and processing of ESG data from external data providers. The module also calculates the ESG ratings of issuers according to the External Investment Manager's proprietary methodology, that are then displayed for the portfolio managers, risk, reporting and ESG teams. Once disseminated via the External Investment Manager's front office platform, the Risk team is in charge of monitoring the data.

Regarding data quality controls of external data providers, managed by the External Investment Manager's Global Data Management team, they are deployed at different steps of the value chain: pre-integration, post-integration, and post calculation (e.g., controls on proprietary scores).



Limitations to methodologies and data

The methodologies and data used have the following limitations:

- Data quality: the External Investment Manager's approach includes qualitative analysis of a company's ESG credentials. The methodology is subject to limitations, including reliance on the quality of data provided by investee companies or third-party research providers.
- Coverage: the External Investment Manager's team of ESG analysts may not be staffed to cover the entire investment universe and methodological limitations exist. In addition, with respect to external data providers, although the number of companies covered by data providers has increased significantly over time, and continues to increase, there may be instances where a specific company is not assessed by them. This is because either the data provider does not cover the company in question, or the company has not provided the data necessary for a proper assessment by the data provider.

- Discrepancy in ESG ratings: the External Investment Manager obtains its data from different data providers that have different methodologies for assessing ESG performance. The result of their assessment may be to some extent subjective and inconsistent.
- Estimated data: not all data points are reported data and some of the data used are estimated. For example, in the case of carbon data or ESG ratings, some technical calculations may be based on estimated data (by reference to a peer group average for example).



Due diligence

When assessing the sustainability characteristics of an issuer, the External Investment Manager relies on a proprietary ESG Score, against which issuers are monitored on an ongoing basis. Any news on controversies is factored in the ESG analysis, and impacts on issuers are proactively assessed, which may or may not lead to a change of rating at the concerned criteria level or at the final ESG rating level. The ESG analysts also monitor the trends (macro-economic, regulatory, etc.) of each business sector, and establish weightings based on performance-driver methodology. Finally, climate-related metrics used are monitored on an ongoing basis by the ESG Team of the External Investment Manager.

Each month, ESG scores are calculated according to the External Investment Manager's quantitative methodology. The result of this calculation is then reviewed by the ESG analysts who perform a qualitative "sampling control" on its sector based on various checks that may include (but are not limited to): the main significant variations of the ESG score, the list of the new names with a bad score, the main divergence of score between two providers. After this review, analysts may override a calculated score, provided that the score has been validated by the management of the team, and is documented by a note stored in the External Investment Manager's database. This can also be subject to a validation of the ESG Rating Committee of the External Investment Manager.

The Management Company carries out due diligences for the selection and monitoring of externally managed strategies. The Manager Due Diligence (MDD) and ESG teams are actively carrying out due diligences on the underlying assets of the Sub-Fund.

- The MDD team identifies and selects high quality investment strategies and monitors the universe of approved strategies. The MDD analysts team focuses on all investment and sustainability-related elements of an investment strategy, such as organization, team, investment, portfolio construction, process, track record, etc. MDD's research reports include a thorough sustainability due diligence and a separate sustainability rating.
For all strategies, MDD analysts assess the External Investment Manager's commitment to and transparency on ESG investing. They also assess to what extent, and at what stages, ESG criteria are integrated into the investment strategies and effectively considered in the investment process and the portfolio. This analysis is carried out by means of a questionnaire sent via the Management Company's proprietary platform, Deeligenz, as well as during meetings with the professionals involved in the strategy (e.g., portfolio managers, financial analysts, ESG analysts, management team, etc.). The Management Company's in-depth analysis is based on a "5-P approach": Parent, People, Process, Portfolio and Performance. Each of the previously outlined aspects is evaluated and ultimately leads to a final rating of the strategy.
As part of the monitoring process, the MDD team periodically reviews the performance of the strategy to ensure that it remains aligned with the investment style of the portfolio. The MDD team has the transparency and regularly monitors the delegated strategy's portfolio. ESG ratings and other environmental and/or social characteristics of the portfolio's underlying assets are also monitored regularly. In addition, MDD analysts have quarterly meetings with the portfolio managers to discuss recent performance as well as recent transactions to ensure alignment with promoted environmental and/or social characteristics. To prepare for the meeting, MDD analysts send out a monitoring questionnaire using the Management Company's proprietary platform, Deeligenz, with questions related to the portfolio, performance, and ESG factors. During the calls, the External Investment Manager clarifies if there have been any changes in the team and processes. Analysts and investment

managers also discuss recent engagements and milestones during the period. In addition, MDD analysts monitor any significant events that may affect the delegated portfolio managers, e.g., with respect to their investments, financial and ESG analysts, investment process, capacity for engagement. Each significant change may affect the strategy's rating based on the 5-Ps, which may lead to a change in the strategy's ratings, including the ESG rating.

- The ESG team supports the MDD team in reviewing the process and methodologies implemented by the External Investment Manager when considering ESG and sustainability issues. The ESG team provides qualitative feedback during the mandate selection phase and supports the MDD team throughout its analysis process, using the “5-P approach” aforementioned. In addition, during the monitoring phase, the ESG team will monitor the Sub-Fund’s characteristics and performance related to the environmental and/or social characteristics defined. The ESG team will also monitor the Sub-Fund's underlying investments against the overall environmental and/or social characteristics, as well as the ESG indicators for all the Sub-Fund's holdings. If a holding is identified as not meeting the environmental and/or social characteristics of the Sub-Fund, the ESG team will further investigate the issue through an internal analysis. If the ESG team considers the risk to be insubstantial, it may permit the External Investment Manager to maintain its position in the holding. In addition, the ESG team is responsible for periodically reviewing the exclusion lists, assessing the relevance of the latest ESG information regarding restricted companies and updating the lists accordingly, thereby adjusting the portfolios. The ESG team also ensures the proper understanding and implementation of regulatory requirements on green finance, such as SFDR, RTS or Taxonomy, throughout the entire product range. Lastly, the ESG team is responsible for the sustainable labelling of the Management Company's product range. Overall, the ESG team plays a very transversal role in the Management Company's organization, as ESG is at the heart of its investment strategy.



Engagement policies

As part of its sub-advisory business model, the Management Company delegates responsibility for engagement to the selected External Investment Manager. However, the Management Company does not delegate all stewardship activities and is responsible for proxy voting. The External Investment Manager may act as an advisor and guide the Management Company on specific issues that it engages with specific companies. Even when advised, the Management Company remains the final decision maker for the proxy vote.

Nevertheless, engagement forms an integral part to the Sub-Fund’s strategy. The External Investment Manager carries out thematic and ongoing engagements.

Thematic engagement revolves around themes common to several sectors, aiming to understand existing practices, promote best practice, recommend improvements, and measure progress.

Ongoing engagement, typically focused on a company or a sector, can cover multiple issues or themes.

Specific reasons for ongoing engagement include (i) engagement around specific challenges, sustainability risks or opportunities (for the company or its sector as a whole); (ii) engagement around controversies, responding to a failure to properly manage a sustainability risk; (iii) engagement with leaders, encouraging them to continue to pursue leading practice; (iv) engagement with improvers, working closely with companies that wish to learn how to enhance their approach; (v) engagement with laggards, companies with poor performance on one or more ESG criteria; (vi) engagement around the External Investment Manager policies prior to possible divestment for ESG reasons; and (vii) pre-AGM dialogue. Overall, issuers engaged are primarily chosen by the level of exposure to the subject of engagement, as the environmental, social, and governance issues that companies face have a major impact on society, both in terms of risk and opportunities.



Designated reference benchmark

No specific ESG-related index has been designated for this Sub-Fund.