

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

<p>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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.</p>	Product name: Salm – SARA Global Equities Focus		Legal entity identifier: 529900GP8DZ3FER4T124	
	Environmental and/or social characteristics			
	Does this financial product have a sustainable investment objective?			
	<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes		<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No	
	<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: _____% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective is: _____%		<input type="checkbox"/> It promotes environmental/social characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _____% of sustainable investments <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> Environmental/social characteristics are therefore promoted but no sustainable investments are made.	



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

This (sub-)fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

Environmental characteristics relating to environmental issues such as fossil fuel exploration are promoted. Social characteristics relating in particular to employee concerns are promoted.

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 each of the environmental or social characteristics promoted by this financial product?***

The (sub-)fund applies activity-based exclusions. Companies with the following activities are excluded:

- Pornography/adult entertainment (production) > 5% turnover
- Conventional weapons (production) > 10% turnover
- Coal (production) > 5% turnover
- Gambling (production) > 5% turnover
- Companies that are active in uranium mining (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in power generation based on atomic/nuclear energy (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in the operation of nuclear power plants and/or the manufacture of key components for nuclear power plants (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Nuclear weapons (production, downstream activities) > 0% turnover
- Research into human embryos (production) > 0% turnover
- Tobacco (production) > 5% turnover
- Unconventional weapons (upstream activities, production, downstream activities) > 0% turnover
- Abortion (production) > 0% turnover
- Hydraulic fracking of oil and gas (unrecorded revenue from activities other than extraction) (production) > 5% turnover
- Shale sands (production) > 5% turnover

The (sub-)fund applies norms-based screening in relation to UN Global Compact.

The (sub-)fund applies exclusions for countries. The following exclusions are applied:

- Countries with serious violations of democratic rights and human rights are excluded on the basis of Freedom House's assessment.

● ***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

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

① ***How have the indicators of adverse impacts on sustainability factors been taken into account?***

Not applicable

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

Not applicable

The EU Taxonomy sets out a “do not significantly harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The principle of “avoidance of significant adverse effects” 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 part of this financial product 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, the following PAIs are taken into account:

- CO2 footprint (CO2 footprint of Scope 1 and 2)
- Exposure to companies operating in the fossil fuel sector (share of investments in companies operating in the fossil fuel sector)
- Violations of the UNGC Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (share of investments in investee companies in breach of the UNGC Principles or the OECD Guidelines for Multinational Enterprises)
- A lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises (share of investments in investee companies that have not set up guidelines for monitoring compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises or procedures for handling complaints due to violations of the UNGC Principles and OECD Guidelines for Multinational Enterprises)
- The most unmatched gender pay gap (average unadjusted pay gap for the investee companies)
- Gender diversity in management and supervisory bodies (average ratio of women to men in the management and supervisory bodies of the investee companies, expressed as a percentage of all members of the management and supervisory bodies)
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons) (share of investments in investee companies involved in the manufacture or sale of controversial weapons)
- Countries in which investments are made in violation of social provisions (number of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations or, if applicable, national law breaching social provisions)
- Countries in which investments are made in violation of social provisions (percentage of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations or, if applicable, national law breaching social provisions)

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.

The Fund takes into account the principal adverse impacts on sustainability factors (PAI) indirectly through exclusion criteria within the selection process, coupled with a norms-based screening, which in particular includes serious controversies and violations in the context of the UN Global Compact.

Information on PAIs is available in the (sub-)fund's annual report (annual reports from 01.01.2023).

☐

No



What investment strategy does this financial product follow?

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

Taking into consideration the investment risk, the objective of the sub-fund's investment policy is to achieve reasonable growth whilst taking sustainability criteria into account. The sub-fund predominantly invests (at least 51%) globally in convertible bonds, exchangeable bonds and bonds with warrants on securities from domestic and foreign issuers and in certificates. The securities for the sub-fund are examined by the Fund Manager in terms of sustainability. For this purpose, issuers are analysed according to environmental, social and governance criteria (ESG) and sustainability risks are included in the investment process and taken into account. The Fund Manager also applies exclusion criteria.

The asset allocation information explains what minimum environmental and/or social safeguards are applied to "Other investments".

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social objectives promoted by this financial product?**

The sustainability indicators described above to measure the achievement of the (sub-)fund's environmental and/or social characteristics are the binding elements of the (sub-)fund's investment strategy.

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

Not applicable

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?**

An indicator of the degree of orientation of corporate strategies towards sustainable aspects is their positioning to the UN Global Compact. Serious violations by a company of the principles of the UN Global Compact result in the company being excluded.



What is the asset allocation planned for this financial product?

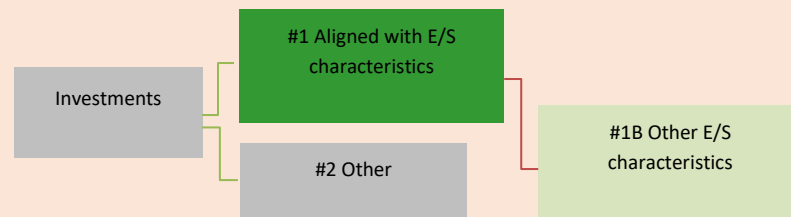
Asset allocation

describes the share of investments in certain assets.

The asset allocation of the (sub-)fund and to what extent the (sub-)fund may assume direct or indirect exposures to companies can be found in the Terms and Conditions of Investment and the investment guidelines of the Prospectus. The minimum share of investments of the (sub-)fund, which are made to fulfil the promoted environmental and/or social characteristics, is 51% of the value of the (sub-)fund's 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 the transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



#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.

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

The category #1 Aligned with environmental or social characteristics includes the following sub-categories:

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

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

Derivatives are used in accordance with the provisions of the Terms and Conditions of Investment and the investment guidelines of the Prospectus. If derivatives may be acquired, they do not explicitly serve to attain the environmental and/or social characteristics of the (sub-)fund and are included under "Other". When selecting derivatives, an environmental and/or social minimum safeguard is ensured. This means derivatives with a non-sustainable underlying asset may not constitute a significant component of the portfolio.



With regard to the conformity of the EU Taxonomy, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

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 which, among other things, have greenhouse gas emission levels corresponding to the best performance.

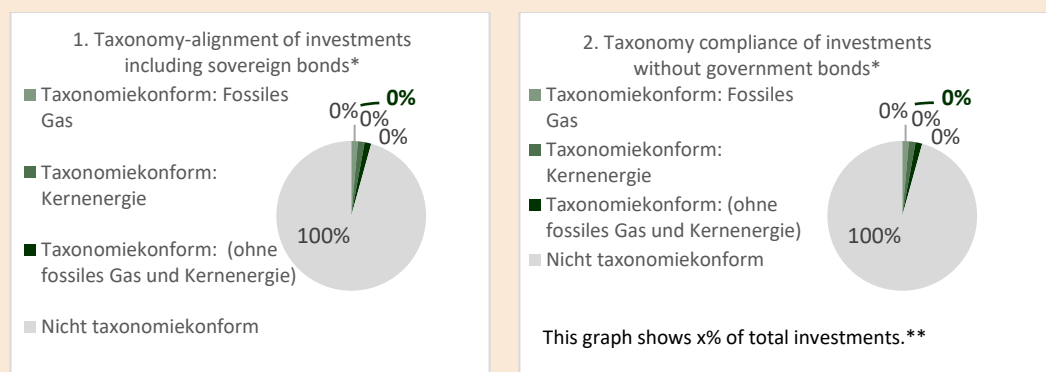
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum level of sustainable investments with an environmental objective as defined by the EU Taxonomy is 0%.

● 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 power
- ☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purposes of these graphs, "sovereign bonds" consist of all sovereign exposures.

● What is the minimum share of investments in transitional activities and enabling activities?

A minimum share of investments in transitional activities and enabling activities has not been set.

¹ Activities in the field of fossil gas and/or nuclear energy are only aligned with the EU Taxonomy if they contribute to climate change mitigation ("climate protection") and do not significantly affect the objective of the EU Taxonomy. The full criteria for economic activities aligned with the EU Taxonomy in the field of fossil gas and nuclear energy are laid down in Commission Delegated Regulation (EU) 2022/1214.

** Since there is no Taxonomy alignment, there is no impact on the graph when sovereign bonds are excluded (i.e. the percentage of Taxonomy-aligned investments remains at 0%) and the Management Company therefore believes that it is not necessary to mention this information.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities



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

A minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy has not been set.



What is the minimum share of socially sustainable investments?

A minimum share of socially sustainable investments has not been set.



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

Other investments are cash to manage liquidity. Derivatives may also be used for hedging and investment purposes.

For other investments that do not fall within the scope of the (sub-)fund's sustainability strategy, it is ensured that they are not used contrarily to the sustainability strategy. To the extent that derivatives may be acquired, it is ensured that the underlying asset complies with the sustainability strategy. If an index is used as the underlying asset, it is ensured that the index has sustainability characteristics. Due to the financial instruments available on the market, the sustainable characteristics of the underlying index may deviate from the (sub-)fund characteristics. All derivatives whose underlying asset may be classified as not in line with the sustainability strategy as well as currency holdings that do not correspond to the (sub-)fund's currency, or which are not denominated in EUR, USD, GBP, CHF or JPY, may not be included as an integral part of the (sub-)fund. It does not include the use of derivatives to offset negative market fluctuations. In addition, targeted investments can be excluded from the sustainability strategy, which are not subject to an explicit assessment of minimum environmental and/or social protection.



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

Was a specific index designated as a 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 and 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 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?



Further product-specific information can be found at:

<https://fondsfinder.universalinvestment.com/api/v1/LU/LU1860403416/document/SRD/de>