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.

SFDR Precontractual Disclosure Annex V

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

Product name: Sycomore Partners (Luxembourg) (the "Feeder Sub-Fund")
Legal entity identifier: 222100NTX4SFUJPOL266

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ 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 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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

The Feeder Sub-Fund is a feeder fund of the French fund SYCOMORE PARTNERS (the "Master Fund").

As the Feeder Sub-Fund is a feeder fund investing at least 95% of its net assets in units of the French master fund Sycomore Partners, the Feeder Sub-Fund promotes the same environmental and/or social criteria as the Master Fund, adjusted by 5% due to the liquidity held by the Feeder Sub-Fund.

The Master Fund's objective is to outperform the 50% STOXX Europe 600 Net Total Return + 50% €STR capitalised composite index, over a minimum recommended investment horizon of five years, through a careful selection of European and international equities with binding ESG criteria, combined with a discretionary variation of the portfolio's exposure to equity markets, depending on market opportunities. This objective is evaluated net of expenses.

The Master Fund will target, *inter alia*, companies claiming a deep transformation strategy for sustainable development (product or service offering, or changes in its practices), with the purpose to support the environmental, social, societal and governance transformation of these companies.

No reference benchmark has been designated to determine whether the Master Fund or the Feeder Sub-Fund are aligned with the environmental and/or social characteristics that they promote.

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 sustainability indicators used to measure the achievement of each of the environmental or social criteria promoted by the Feeder Sub-Fund in relation to its investment in its Master Fund must be assessed at the level of the Master Fund.

The Master Fund will measure the attainment of each of the environmental or social characteristics using the following sustainability indicators in the monitoring of invested securities:

- **Investee companies' SPICE rating**: SPICE[1] stands for Suppliers&Society, People, Investors, Clients and Environment. This tool assesses the sustainable performance of companies. It integrates the analysis of economic, governance, environmental, social and societal risks and opportunities in business practices and in the products and services offering of companies. The analysis takes into account 90 criteria from which a score between 1 to 5 per letter of SPICE is obtained. These 5 scores are weighted according to the company's most material impacts.
- **On the societal side**: investments with a **Societal Contribution of products and services** above or equal to +30%. The Societal Contribution[2] metric combines the positive and negative societal contributions of a company's products and services. The methodology draws on the societal aspects of the United Nations' 17 Sustainable Development Goals (SDGs) and their 169 sub-goals (or targets). Companies associated with a Societal Contribution above or equal to the selected threshold therefore make a significant contribution to one or several of these SDGs or targets.

[1] More information can be found on the website page indicated at the end of this document.
[2]Ibid

- **On the human capital side**, two metrics both addressing SDG 8 ("Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"), as well as SDGs 3, 4, 5 and 10 for the first listed metric:
    - **The Happy@Work Environment rating**[3]: the analysis framework provides a complete and objective assessment of the level of well-being at work, focusing on: purpose, autonomy, competence, working relations, and fairness.
    - **The Good Jobs Rating**[4]which is a quantitative metric designed to assess – on a scale of 0 to 100 – a company's overall ability to create durable and quality jobs for all, and particularly in areas (regions or countries) where employment is relatively scarce and therefore needed to ensure sustainable and inclusive economic growth.
- The Master Fund will partially make sustainable investments with an environmental objective, based on the following criterion: investments with a **Net Environmental Contribution**[5] **(NEC)** above or equal to +10%. The NEC is a metric that measures the extent to which a company's business model is aligned with the ecological transition and the climate change mitigation objectives. It ranges from -100% for businesses that are highly damaging to natural capital, to +100% for companies with a strong positive net impact. Companies associated with a NEC above or equal to the selected threshold therefore make a significant contribution to the ecological transition and the climate change mitigation objectives.
- Investee companies' **sustainable development management rating**
- Investee companies' **compliance with Investment Manager's SRI exclusion policy**
- Investee companies' **compliance with the controversy analysis process** of the Investment Manager
- Investee companies' **compliance with the PAI policy** of the Investment Manager

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?

The Master Fund will partially make sustainable investments with a social objective, based on at least one of the following criteria:

- On the societal side: **investments with a Societal Contribution of products and services** above or equal to +30%.

- On the human capital side, two metrics both addressing SDG 8 ("Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"), as well as SDGs 3, 4, 5 and 10 for the first listed metric:

[3] Ibid
[4] Ibid
[5] Ibid

- **Investments with a Happy@Work Environment** rating above or equal to 4.5/5.
- **Investments with a Good Jobs Rating** above or equal to 55/100.

Companies associated with a Good Jobs Rating or a Happy@Work Environment rating above or equal to the selected thresholds therefore make a significant contribution to SDG 8.

The Master Fund will partially make sustainable investments with an environmental objective, based on the following criterion: **investments with a Net Environmental Contribution (NEC)** above or equal to +10%. Companies associated with a NEC above or equal to the selected threshold therefore make a significant contribution to the ecological transition and the climate change mitigation objectives.

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?

Four layers are implemented to avoid occurrence of significant harm to any environmental or social sustainable investment objective, on an *ex ante* basis, prior to any investment-decision at Master Fund level.

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.

Indeed, investments targeted by one or more of the criteria below will not be considered as a sustainable investment at Master Fund level:

1. **As per the Investment Manager's SRI exclusion policy:** activities are restricted for their controversial social or environmental impacts, as defined and revised annually in Sycomore AM's core policy (applicable to all Sycomore AM's direct investments), and in the Socially Responsible Investment Policy (SRI) policy (applicable to all open-ended UCITs, mandates and dedicated funds managed according to an SRI strategy) such as violation violations of fundamental rights, controversial and nuclear weapons, conventional weapons and ammunitions, thermal coal, tobacco, pesticides, pornography, carbon-intensive energy generation, oil & gas.
2. **Companies affected by a level 3/3 controversy**: identified based on the Investment Manager's thorough analysis of controversies. The most severe controversy classification (-3 on Sycomore AM's scale, which range from 0 to -3 such companies are considered in violation of one of the principles of the United Nations' Global Compact.
3. **SPICE rating below 3/5**: The SPICE methodology, through its 90 criteria, covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the draft Regulatory Technical Standards. A lower rating, below 3/5, indicates a lower sustainability performance on one or more adverse impacts.
4. **As per Sycomore AM's Principle Adverse Impact (PAI) policy**[6]: a PAI policy applied to identify further potential significant harm across environmental and social matters targeted by the PAI indicators listed in Table 1 of Annex I is implemented. Companies meeting any exclusion criterion regarding GHG emissions, biodiversity, water, waste, gender equality, UN Global Compact principles/OECD Guidelines for

[6] More information can be found on the website page indicated at the end of this document.

Multinational Enterprises compliance, or controversial weapons, will be reported as “not sustainable”.

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

At Master Fund level, adverse impacts on sustainability factors involve indicators at two levels:

1. **For sustainable investments only:** a PAI policy directly drawing from indicators of Table 1 of Annex I and any relevant indicators in Tables 2 and 3.
2. **For all investments of the financial product**: the SPICE analysis framework, going through all issues targeted by all adverse sustainability indicators, with ability to use them to feed the analysis.

PAI policy: each sustainability factor targeted by Table 1 of Annex I was associated with an exclusion criterion:

Applicable to investee companies

- GHG emissions:
  - Indicators #1-2-3-5-6 (GHG emissions scope 1, 2, 3, and total emissions; Carbon footprint; GHG intensity of investee companies ; Share of non-renewable energy consumption and production; Energy consumption intensity per high impact climate sector): for all sectors, GHG emissions are assessed adjusting for company size, relative to their sub-sector, and taking into account science-based decarbonization levels required to keep global temperature increase below 2°C compared to preindustrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change[7] (IPCC). As a consequence, Sycomore AM's PAI approach to GHG emissions for all sectors relies on science-based target metrics: from the science-based target initiative (SBTi[8]) on the one hand, and on the temperatures computed by the Science-Based 2°C Alignment (SB2A[9]) initiative on the other hand. Companies associated with a temperature exceeding the threshold set in the PAI policy are deemed to significantly harm the climate change mitigation objective.
  - Indicator #4 (exposure to companies active in the fossil fuel sector): companies active in the fossil fuel sector are addressed by Sycomore AM's exclusion policy.

[7] https://unfccc.int/topics/science/workstreams/cooperation-with-the-ipcc/the-fifth-assessment-report-of-the-ipcc?gclid=CjwKCAjw7p6aBhBiEiwA83fGupjyovLRq1NKs9o5UtIotAQQcswzZD30tofiDkgryZ8SlJHtnG5y4BoCEiwQAvD_BwE
[8] https://sciencebasedtargets.org/
[9] https://icebergdatalab.com/solutions.php

- Biodiversity:
  - Indicator #7 (Activities negatively affecting biodiversity-sensitive areas), complemented by indicator #14 of Table 2 (Natural species and protected areas): these two indicators send a signal that activities in biodiversity-sensitive areas without appropriate mitigation measures might occur. Companies for which this is confirmed are deemed to significantly harm the objective of protection and restoration of biodiversity and ecosystems. The detailed process for confirming excluded companies is provided in the PAI policy.

- Water:
  - Indicator #8 (Emissions to water): for companies reporting emissions exceeding the threshold set in the PAI policy, further investigation is made on the impact on stakeholders of past emissions, based on controversy reviews. A severe impact not yet fully addressed by the company is deemed to significantly harm the objective of sustainable use and protection of water and marine resources.

- Waste:
  - Indicator #9 (Hazardous waste and radioactive waste ratio): for companies reporting quantities exceeding the threshold set in the PAI policy, further investigation is made on the impact on stakeholders of waste generated, based on controversy reviews. A severe impact not yet fully addressed by the company is deemed to significantly harm the objective of pollution prevention and control.

- UN Global Compact principles/OECD Guidelines for Multinational Enterprises compliance:
  - Indicator #10 (Violations): The aforementioned controversy analysis framework implemented by Sycomore AM precisely aims at identifying violations of these international standards.
  - Indicator #11 (Lack of processes and compliance mechanism to monitor compliance): lack of processes and compliance mechanism to monitor compliance with these international standards is a signal that further due diligence is necessary to conclude on the likeliness of potential violations. More stringent requirements throughout the SPICE analysis, in particular related to Society (S), People (P) and Clients (C) stakeholders, defined in the PAI policy, are then implemented. Any company failing the test will be deemed to significantly harm one or more social objectives.

- Gender equality:
  - Indicator #12 (Unadjusted gender pay gap): Companies associated with an unadjusted gender pay gap exceeding the threshold set in the PAI policy are deemed to significantly harm the social objective of tackling inequality.
  - Indicator #13 (Board gender diversity): Companies associated with a share of women seating on the company's Board below the threshold set in the PAI policy are deemed to significantly harm the social objective of tackling inequality.

- Controversial weapons: exposure to controversial weapons is specifically addressed by Sycomore AM's exclusion policy.

Applicable to sovereigns and supranationals:

- GHG intensity (indicator #15): GHG intensity is part of the analysis of sovereigns, described in Sycomore AM's ESG integration policy, that allows to exclude low performers across a range of environmental, social and governance matters.

- Investee countries subject to social violations (indicator #16): similarly, the analysis framework applicable to sovereigns addresses adherence to the Charter of the United Nations. In addition, a set of indicators allows to assess government practices in terms of sustainable development and governance, including in particular corruption, human rights and social inclusion.

SPICE rating:

The SPICE methodology, through its 90 criteria, covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the Regulatory Technical Standards.

Out of the 46 adverse sustainable indicators applicable to investee companies – excluding one item dedicated to bond investments (14 principal adverse impact indicators listed in Table 1, as well as 32 additional adverse impact indicators listed in Table 2 and Table 3), 42 indicators (23 environmental indicators and 19 social indicators) tackle adverse impacts reviewed during the SPICE analysis, and 4 indicators (1 environmental indicator and 3 social indicators) relate to adverse impacts targeted by Sycomore AM's exclusion policy.

More specifically, Sycomore AM's fundamental analysis model SPICE, is an integrated model, allowing to get a holistic view of companies of the investment universe. It was built taking into account OECD guidelines for Multinational Enterprises. It fully integrates ESG factors to capture how companies are managing adverse impacts as well as key sustainable opportunities following a double materiality approach.

Examples of matching between adverse impacts and SPICE items include inter alia:

Society & Suppliers (S): The S rating reflects the performance of the company with respect to its suppliers and civil society. Analysis relates to the societal contribution of products and services, corporate citizenship, and the outsourcing chain. Adverse sustainability indicators including lack of a supplier code of conduct, insufficient whistleblower protection, lack of a human rights policy, lack of due diligence, risks related to human beings trafficking, child labour or compulsory labour, cases of severe human rights issues, and risks related to anti-corruption and anti-bribery policies, tackle adverse impacts addressed within the Society & Suppliers section.

People (P): The P rating focuses on a company's employees and its management of human capital. The assessment of the People pillar covers the integration of people-related issues, employees' fulfilment (Happy@Work environment), and measurement of employee engagement. Adverse sustainability indicators including unadjusted gender pay gap, board gender diversity, workplace accident prevention policies and health & safety indicators, employee's grievance mechanisms, discrimination, and CEO pay ratios tackle adverse impacts addressed within the People section.

Investors (I): The I rating focuses on the relation between companies and their shareholders. The rating is assigned based on an in-depth analysis of the company's shareholder and legal structure and of the interactions and power balance between different players: management, shareholders and their representatives, directors. Analysis targets the business model and governance. Among adverse sustainability indicators, lack of diversity at board level and excessive CEO pay-ratio tackle adverse impacts addressed in that section.

Clients (C): The C rating focuses on the company's clients as stakeholders, analyzing the offer made to clients as well as customer relationship.

Environment (E): The E rating assesses how the company stands with regards to natural capital. It accounts for management of environmental issues as well as positive or negative externalities of the company's business model. The operations environmental footprint subsection adresses adverse impacts targeted by adverse sustainability impact indicators including greenhouse gas emission indicators, energy consumption, air pollution indicators, water, waste and material emissions, as well as biodiversity indicators. Sustainability impact indicators including carbon reduction initiatives and fossil fuel activities tackles adverse impacts that are addressed by the Transition Risk subsection of that E section.

Exclusion policy: Finally, Sycomore AM's exclusion policy targets adverse sustainability impact indicators including controversial weapons, exposure to fossil fuel sector, chemical pesticide production, and more broadly was drafted to target companies in breach of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Once the analysis – SPICE analysis including review of controversies, exclusion policy compliance, PAI policy compliance – is performed, it impacts investment decisions in the following ways:

- As indicated in the previous question, it provides a safeguard against significant harm to any sustainable investment objective, by excluding companies not meeting minimum safeguard requirements;

- It also impacts the financial investment case in two ways: 1. assumptions related to the company's prospects (growth and profitability forecasts, liabilities, M&A, etc.) can be fed by certain SPICE outputs as relevant, and 2. some core assumptions of valuation models are systematically linked to SPICE outputs.

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

The development of Sycomore AM's analysis framework "SPICE" as well as the exclusion policy have been inspired by the OECD's Guiding Principles for multinational companies, the United Nations' Global Compact, the International Labour Organization's international standards and the UN Guiding Principles on Business and Human Rights. To assess the fundamental value of a company, at Master Fund level, analysts systematically examine how a firm interacts with its stakeholders. This fundamental analysis is designed to understand strategic challenges, business models, management quality and degree of involvement, and the risks and opportunities faced by the company. Sycomore AM has also defined its Human Rights Policy in compliance with the UN Guiding Principles on Business and Human Rights.

Despite the above-described due diligence set to detect potential breaches of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, actual compliance of the analyzed issuers can never be guaranteed.

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 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 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, indirectly thought its investment in the Master Fund, as indicated in the previous sub-section:

- Principal adverse impacts, as well as all other adverse impacts, are considered at Master Fund level for any investment of the portfolio through SPICE analysis and outputs, complemented by Sycomore AM's exclusion policy.
- In addition, to qualify as a sustainable investment at Master Fund level, any investment must comply with the PAI policy specifically addressing principal adverse impacts.

Information on principal adverse impacts on sustainability factors shall be made available in the annual report of the Feeder Sub-Fund and of its Master Fund.

☐ No

What investment strategy does this financial product follow?

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

The Feeder Sub-Fund invests at least 95% of its net asset into the Master Fund.

The Master Fund's investment strategy is based on the option given to the management team to vary, on an opportunistic and discretionary basis, the portfolio's exposure to the European and international equity markets (including up to 10% in emerging countries) from 0% to 100% of net assets, while complying with the requirements of French plans d'épargne en actions (PEA), i.e. the French personal equity savings plan.

At Master Fund level, equities are selected based on a thorough fundamental analysis of companies, without sector or capitalisation restrictions, but according to the following geographical restrictions:

- Equities from issuers with their registered office in the EEA and/or Switzerland and/or the United Kingdom may represent between 75% and 100% of the Master Fund's net assets (financial instruments eligible for the PEA representing at all times at least 75% of the Master Fund's net assets);
- Equities from issuers headquartered outside these countries can represent up to 10% of the Master Fund's net assets (including emerging countries).

This process aims to identify quality companies whose market valuation is not representative of their intrinsic value as determined by the management team.

The investment strategy of the Master Fund fully integrates ESG (Environment, Social (including Human Rights) and Governance) issues. This integration is conducted through the Management Company (Sycomore Asset Management)'s proprietary "SPICE" methodology described in the previous question related to the DNSH approach. This analysis takes into account 90 qualitative or quantitative criteria, structured around the five key stakeholders (Suppliers and civil society, People, Investors, Customers and Environment). Each pillar of SPICE is given a score on a scale of 1 to 5 and their weighted average, based on the company's underlying sector and business lines, constitutes the overall SPICE rating.

Through the integration of ESG criteria into the investment strategy of the Feeder Sub-Fund, we aim at identifying risks and opportunities to which companies are exposed following a double materiality approach, and more specifically:

- On the Environment, the E pillar assesses how companies take into account the preservation of the environment in the management of their activities as well as in their offer of products and services. It also looks at how the environment may affect the company's business. It fully integrates the analysis of the exposure to transition and physical risks;
- On the Social, the P, S and C pillars aim at understanding how companies incorporate risks and opportunities related to human capital, suppliers and clients relationships as well as the society at large. In particular, the respect of working rights, the health and safety of the employees, the quality of the working environment, the societal contribution of the products and services, the capacity of companies to contribute to quality jobs creation and the respect of human rights in the entire value chain of companies are key issues covered through the analysis;
- On the Governance, the I pillar looks at how companies acknowledge the interests of all stakeholders by sharing value equitably. It notably includes the analysis of the governance structure, the alignment of the top management with the strategy as well as the quality of the integration of sustainability issues into the strategy.

The investment universe of the Master Fund is built according to a minimum SPICE rating (2.5/5), but also to specific criteria of the overall SPICE methodology (see next item on binding elements of the investment strategy).

The SPICE methodology also contributes to analyzing a company's exposure and/or contribution to the United Nations Sustainable Development Goals (SDGs).

Within the People pillar, the approach to evaluating human capital in the company refers explicitly to SDGs 3, 4, 5, 8 and 10 on social issues such as health, lifelong learning, gender equality, full employment, decent work and reducing inequality. Within the Society & Suppliers pillar, the assessment of the societal contribution is based on the analysis of positive and negative contributions from business activities under 4 pillars (access and inclusion, health and security, economic and human progress and employment) and refers explicitly to SDGs 1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 16 and 17. Within the Environment pillar, the assessment of the net environmental contribution (NEC) analyses the positive and negative impacts of companies and their products and services on 5 issues (climate, biodiversity, water, waste/resources and air quality) directly related to environmental SDGs 2, 6, 7, 9, 11, 12, 13, 14 and 15.

The Master Fund also undertakes to report annually on the portfolio companies' exposure to SDGs through their products and services.

The main methodological limits are:

- the availability of data to conduct ESG analysis;
- the quality of the data used in the assessment of ESG quality and Impact as there are no universal standards related to ESG information and third party verification is not systematic;
- the comparability of data, as not all companies publish the same indicators;
- the use of proprietary methodologies, which relies on the experience and skills of the asset manager’s staff.

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?

Two main filters, one of exclusion and one of selection, are used at Master Fund level.

- **A filter of selection**: Its objective is to favour companies with sustainable development opportunities divided into two categories:
    1. **SPICE leadership**: Companies with a SPICE rating greater than or equal to 3.5/5, reflecting the analysis of best practices in terms of sustainable development.
    2. **SPICE transformation**: Companies with, cumulatively:
        a. a SPICE rating greater than or equal to 2.5/5,
        b. a recognized strategy of fundamental transformation in terms of sustainable development (product or services offerings, or changes in its practices). The Master Fund is therefore tasked with supporting the environmental, social, societal and governance transformation of these companies. The areas for improvement identified by the management company must be met within a maximum period of two years.

- **A filter of exclusion**: any company which presents risks in terms of sustainable development. Identified risks include inadequate non-financial practices and performance likely to jeopardize the competitiveness of companies. A company is thus excluded from the Master Fund if:
    1. it is involved in activities identified in Sycomore AM SRI exclusion policy for their controversial social or environmental impacts, or
    2. obtained a SPICE rating strictly below 2.5/5, or
    3. if the company is affected by a level 3/3 controversy .

In addition, the Master Fund can make sustainable investments. Any sustainable investment must comply with the aforementioned criteria related to environmental or social contribution, to the do-no-significant-harm principle, and the criteria described below related to good governance.

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

Following the application of the investment strategy, the Master Fund's eligible investment universe is thus reduced by at least 20% compared to the initial universe, i.e. equities listed on international markets (mainly European markets).

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

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Governance is part of the SPICE analysis, including a dedicated governance section (“G” section) within the “I” section involving a significant focus on management structures, and governance items embedded into the other parts of the analysis framework, notably employee relations and remuneration of staff within the “P” section, and tax practices within the “S” section. Overall governance of issues associated with each type of stakeholder (Society, People, Investors, Clients and the Environment) is addressed in each according section.

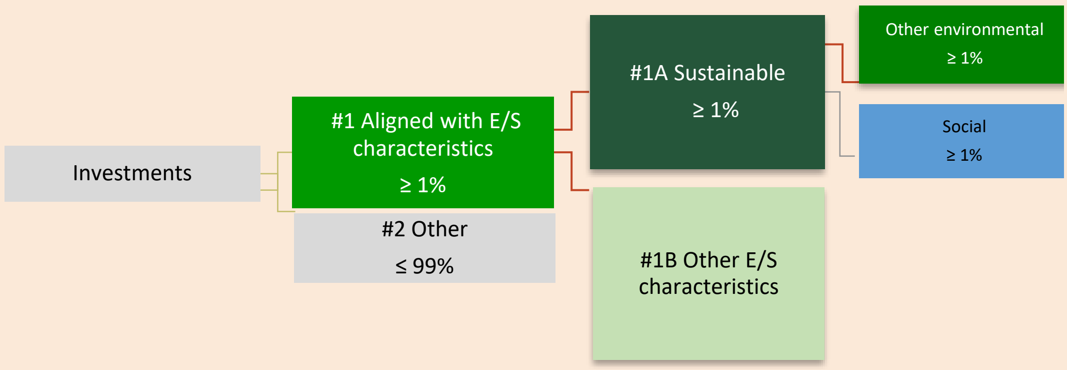
Further requirements to exclude from the investable universe insufficient governance practices from the “G” section, associated with a minimum threshold, can be found in Sycomore AM’s exclusion policy.

What is the asset allocation planned for this financial product?

Aforementioned binding elements of the investment strategy of the Master Fund, used to select the investments to attain each of the environmental or social characteristics promoted by this financial product, are required for any investment of the Master Fund (excluding cash or derivatives held for liquidity purposes).

Asset allocation describes the share of investments in specific assets.

Through its investments in the Master Fund, the asset allocation of the Feeder Sub-Fund is as shown in the graph below.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

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

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that 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.

It is worth noting that the percentages mentioned in the graph above are expressed in relation to the Feeder Sub-Fund's net assets. When it comes to the Master Fund's investments in companies, the Master Fund commits that minimum 25% of invested companies will be sustainable investments under the conditions set forth in this document. Investments in companies include any financial instrument issued by a company (such as shares and bonds). Due to the Master-Feeder structure, the Feeder Sub-Fund's invests at least 95% of its net assets into the Master Fund, and therefore compared to the Master Fund, the asset allocation breakdown is impacted up to 5% by additional liquidity, presented under "Other".The purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards is indicated at the question "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".

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

The Feeder Sub-Fund does not use derivatives.

At Master Fund level, the policy for using derivatives, whose underlying assets are subject to the SPICE analysis process, is compatible with the objectives of the Master Fund and consistent with its inclusion in a long-term perspective. It is not intended to significantly or permanently distort the ESG selection policy. The Master Fund use of derivatives is limited to techniques allowing for efficient management of the portfolio of securities in which the Master Fund is invested. The Master Fund may not hold a short position in any asset selected as ESG, according to its own method of ESG asset selection.

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.

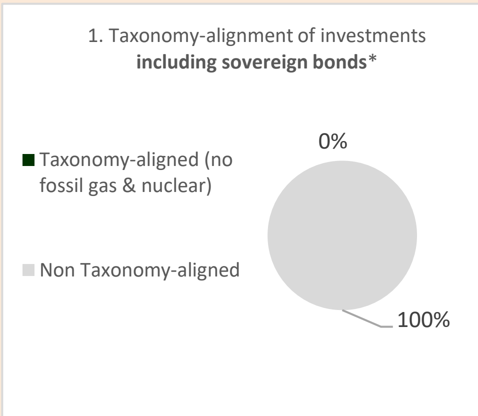
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

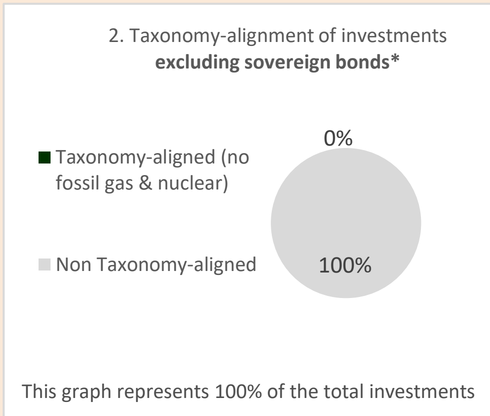
The Feeder Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[10]?**

☐ Yes:

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 purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

☐ In fossil gas ☐ In nuclear energy

☒ No

[10] Fossil 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.

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

As the Feeder Sub-Fund does not commit to invest in any sustainable investment within the meaning of the EU Taxonomy, the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy is therefore also set at 0%.

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

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

The Feeder Sub-Fund makes a minimal commitment regarding a minimum share of investments in sustainable investments with an environmental objective (1%).

Two main reasons, inter alia, explain investments with an environmental objective not aligned with the EU Taxonomy:

- Sustainable investments on the one hand are taken as a whole for the purpose of complying with SFDR. Underlyings identified as sustainable investments, based on the criteria described previously (NEC ≥ 10%, DNSH, good governance), therefore contribute 100% of their portfolio weight to the aggregated sustainable investment total at portfolio level. Environmentally sustainable investments on the other hand, only contribute a certain percentage of their activity, the taxonomy-aligned one assessed based on a breakdown of their revenues, to the aggregated taxonomy-aligned investment total at portfolio level.
- The criterion selected to define positive environmental contribution for the purpose of complying with SFDR (NEC ≥ 10%) can target any of the six environmental objectivesof the Taxonomy Regulation.

What is the minimum share of socially sustainable investments?

The Feeder Sub-Fund makes a minimal commitment regarding a minimum share of investments in sustainable investments with a social objective (1%).

However, the Feeder Sub-Fund commits to have a minimum of 20% of invested companies qualifying for sustainable investments, either with an environmental or a social objective (commitment of 25% from the Master Fund).

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

At the level of the Feeder Sub-Fund, the investments included in category "#2 Other" relate to cash held on an ancillary basis.

At Master Fund level, investments included under “#2 Other” relate to derivatives used for hedging purpose, and to cash or cash equivalent (such as sovereign bonds) held as ancillary liquidity.
At Master Fund level, sovereign bonds, other international debt securities and short-term negotiable securities from public issuers are selected through an in-house rating of the issuing State strictly above 2.5 on a scale of 5 (5 being the highest rate), the State being thus considered as sufficiently sustainable and inclusive.

Other cash and cash equivalent used as ancillary liquidity, and derivatives held for hedging purpose, are not subject to any minimum environmental or social safeguards.

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?

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

There is no 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.

Where can I find more product specific information online?

More product-specific information can be found on the website:

https://en.sycomore-am.com/funds/31/sfs-sycomore-partners