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

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.

Name of the product: La Française Systematic Global Listed Real Estate	**Legal Entity Identifier (LEI Code):** 5299008F5PESWI4UG897

Environmental and/or social characteristics

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 characteristics** while it does not have as its objective sustainable investments, it will have a minimum proportion of % in 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**.

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

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

The assets of the fund are invested in companies that systematically act in accordance with environmental, social or responsible corporate governance criteria (ESG criteria). like environmental and climate protection, human rights, security and health, reporting and the combating of bribery and corruption. Using additionally the ESG factor gives a high rating to companies with good environmental, social and corporate governance performance indicators. No benchmark has been identified to determine whether and to what extent the investment fund is aligned with the promoted environmental and/or social characteristics.

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

In an initial phase, the total possible investment universe for the La Francaise Group is limited by an exclusion policy applicable to all products, which is primarily based on ESG criteria but also on other principles.
Thus, the following issuers are systematically excluded due to the exclusion policy of La Française Group:
- Issuers with connection to coal
  (It is imperative to reduce coal consumption; it is crucial not to support investments that will lead to CO2 emissions in the coming decades. The Group therefore undertakes to exclude the most significant actors associated with coal and to phase out coal in line with its own accompanying logic)
- Issuers related to unconventional fossil fuels
  (Unconventional fossil fuels are energy sources that, due to their nature (e.g. methane) or the nature of their production (e.g. shale gas) cause strong greenhouse gas emissions, or that, by their technology or location, pose a serious threat to biodiversity and ecosystems (e.g. deep-sea or Arctic oil)
- Issuers with connection to controversial weapons
  (The exclusion of controversial weapons is usually based on agreements signed by many countries, including France and Germany. These include the Ottawa Convention on Antipersonnel Mines and the Oslo Convention on Cluster Munitions. La Française therefore excludes controversial weapons from all its activities)
- Issuers with connection to tobacco as well as
  (Tobacco was excluded as a product contrary to the general interest in public health. The United Nations Global Compact (UN Global Compact) has banned tobacco producers from signing the UN Global Compact, as well as companies that manufacture or sell anti-personnel mines or cluster munitions)
- Companies based in blacklisted and redlisted sensitive countries that require approval on a case-by-case basis. These lists, maintained and updated, are drawn up with regard to international sanctions and their impact in relation to terrorism and corruption.

In addition, the exclusions necessary to comply with the group's commitment under the Paris Agreement to decarbonize the economy and the commitment to achieve net zero carbon emissions by 2050, undertaken upon signing the Net Zero Asset Managers Initiative, will be applied.

The ESG factor gives a high rating to companies with good environmental, social and corporate governance performance indicators. The ESG assessment is carried out by the La Française Group Research Centre. The selection process is repeated regularly.

The Fund has established a quarterly review of breaches of the UN Global Compact's 10 principles through a dedicated committee, based on the results of ESG data providers and reviewing the violating securities to validate a list of issuers not eligible for investment. These exclusions ensure that while the Fund pursues a climate objective and focuses on it, it does not cause significant harm to other sustainable objectives, whether environmental or social.

The investment fund shall take into account the main adverse effects of investment decisions on sustainability factors in accordance with Annex 1, Table 1 of Delegated Regulation (EU) 2022/1288 (also "Disclosure Regulation").

- ***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?***

  Ecological and/or social characteristics are promoted with the financial product, but no investments are made which could be considered as sustainable under Article 2(17) of the Disclosure Regulation.

- ***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?***

  Investments in economic activities that contribute to environmental and/or social objectives shall avoid significantly compromising those objectives. With this investment, a significant impairment of these objectives is counteracted by strictly adhering to the exclusion criteria described above. For this investment fund, the most significant adverse effects of investment decisions on sustainability factors according to Annex 1, Table 1 of Regulation (EU) 2022/1288 (also "Principal Adverse Impact" or "PAIs") are also taken into account.

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.

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

By strictly applying the exclusion criteria and taking into account the PAI assessment of the external data provider ISS ESG, the investment fund takes into account the main adverse impacts of investment decisions on sustainability factors as set out in Annex 1, Table 1 of Regulation (EU) 2022/1288.

How are sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? More details:
The investment fund is reviewed for violations of the 10 principles of the Global Compact (UN Global Compact).

The EU taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm the objectives of the EU Taxonomy and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account 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,___

by strictly applying the exclusion criteria and taking into account the PAI assessment of the external data provider ISS ESG, the investment fund takes into account the main adverse impacts of investment decisions on sustainability factors as set out in Annex 1, Table 1 of Regulation (EU) 2022/1288. The information pursuant to Article 11(2) of Regulation (EU) 2019/2088 (annual report of the Fund) can be found at https://www.la-francaise-systematic-am.com/ under the heading "Products" under the relevant Fund in the section "Mandatory Publications".

☐ No



What investment strategy does this financial product follow?

The detailed investment strategy of the investment fund is set out in the sales prospectus in the chapter "Investment objectives, strategy, principles and limits".

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

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

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?

Binding elements of the investment strategy used to achieve the environmental and social characteristics are the strict application of the exclusion criteria defined for the investment fund, integration of the ESG factor and the UN Principles for Responsible Investment ("PRI").

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

The size of the investments considered will not be reduced by a committed minimum rate prior to the application of this investment strategy.

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

The verification of good corporate governance is an integral part of the ESG scoring, as well as the review of violations of the UN Global Compact.

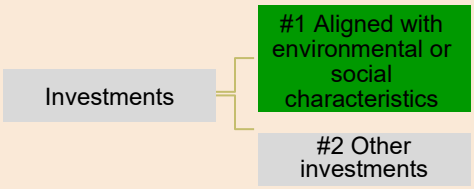
What is the asset allocation planned for this financial product?

The fund is a globally investing equity fund with a sector focus.

The focus of the investment is on shares in listed infrastructure companies. Stock selection is performed systematically via application of a proprietary set of stock selection rules. Companies, sovereigns and other issuers that do not violate the sustainability requirements described above are considered sustainable or investments made to achieve the promoted environmental or social characteristics. Their share in the fund's assets should be as close to 100% as possible. The Other investments can be, for example, cash for liquidity management, derivatives or financial instruments that do not meet the sustainability requirements or for which insufficient data is available to assess the existence of these.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
turnover reflecting the share of revenue from green activities of investee companies
capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
operational expenditure (OpEx) reflecting green operational activities of investee companies



#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**.**

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 extent are the environmental or social characteristics promoted by the financial product attained through the use of derivatives?

The mutual fund may use derivatives for investment and hedging purposes. These instruments are not used to achieve the environmental or social characteristics promoted by the financial product.

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

As part of the Fund's sustainable investment strategy, no sustainable investments are made within the meaning of the Disclosure Regulation. The Fund invests primarily in assets selected from an ESG perspective.

Corresponding investments by the Company may also potentially be investments which, as investments in environmentally sustainable economic activities within the meaning of Article 3 of the Taxonomy Regulation, could contribute to the achievement of the environmental objectives set out in Article 9 of the Taxonomy Regulation.

The investment strategy does not aim to invest in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

The minimum proportion of taxonomy-aligned investments of the Fund is therefore currently 0%.

A description of whether and to what extent the investments contained in the Fund are made in economic activities which are environmentally sustainable within the meaning of Article 3 of the Taxonomy Regulation is included in the annual report in the annex “Periodic 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”.

Compliance with the requirements laid down in Article 3 of the Taxonomy Regulation may not be confirmed by one or more auditors or verified by one or more external third parties.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

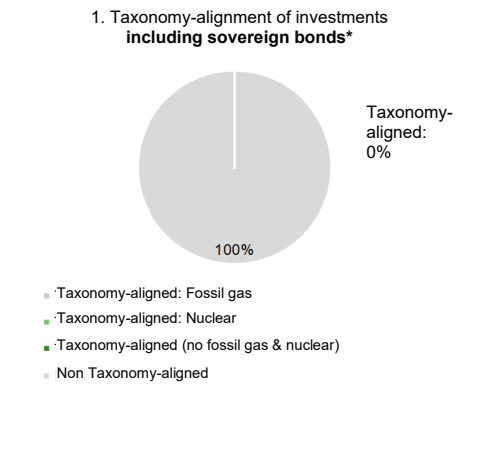
☐ Yes:

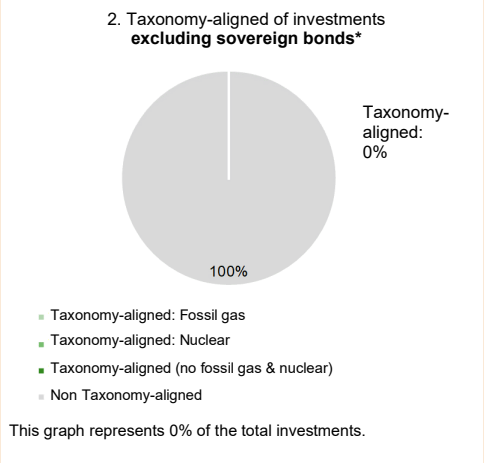
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] 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.

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.

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

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

An indication as to how and to what extent the investments contained in the Fund are those in economic activities which belong to the units of the enabling activities referred to in Articles 16 and 10(2) of the Taxonomy Regulation and of the transitional activities referred to in Articles 16 and 10(2) of the Taxonomy Regulation may also not be provided for the aforementioned reasons.
The minimum share of investments in transitional and enabling activities is currently 0 percent.

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

The Fund does not make sustainable investments within the meaning of the definitions set out in Article 2(17) of the Disclosure Regulation.

What is the minimum share of socially sustainable investments?

The Fund does not make sustainable investments within the meaning of the definitions set out in Article 2(17) of the Disclosure Regulation.

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

For the investment fund, for example, hedging instruments, investments for diversification purposes, investments for which no data are available or cash for liquidity management may be acquired under "#2 Other". The investments are exempted from a sustainability impact assessment and do not imply 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 promoted environmental and/or social characteristics?

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

No index has been established as a reference benchmark to determine whether and to what extent the investment fund is aligned with the promoted environmental and/or social characteristics.

Where can I find more product specific information online?

Further product-specific information is available at:

Unit class (R):
https://www.la-francaise-systematic-am.com/produkte/aktienfonds/details/la-francaise-systematic-global-listed-real-estate-r/

Unit class (I):
https://www.la-francaise-systematic-am.com/produkte/aktienfonds/details/la-francaise-systematic-global-listed-real-estate-i/