

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

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



**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**Product name:**  
INVL Global Sustainable Equity  
(hereinafter – Investment direction)

**Legal entity identifier:**  
Not applicable

## Sustainable investment objective

**Did this financial product have a sustainable investment objective?**

Yes
  No

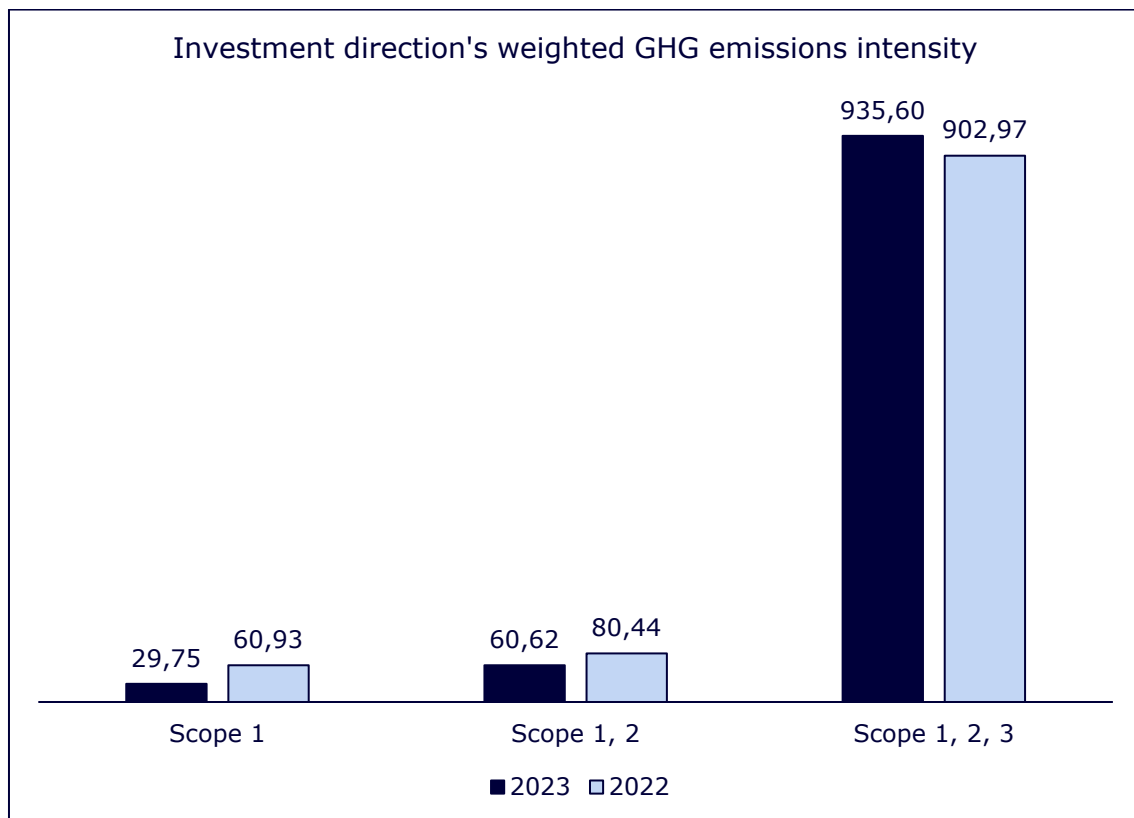
<p><input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective: 26,92%</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective: 35,10%</b></p>	<p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>
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### To what extent was the sustainable investment objective of this financial product met?

The Investment direction invests in equity funds that are considered above average according to sustainable economic criteria (funds disclose information in accordance with the EU's Sustainable Finance Disclosure Regulation (hereinafter referred to as SFDR) Article 9). During the reporting period, the Investment direction invested most of its assets in the Swisscanto (LU) Equity Fund Sustainable (ISIN - LU2211859272) mutual fund (hereinafter referred to as the Fund). The objective of the Fund is to invest in the shares of companies that are seeking to reduce their CO2 emissions as specified in the Paris Agreement. Accordingly, the Fund manager also focuses on shares of companies that contribute to sustainability objectives (as referred to in Article 2 (paragraph 17) of the SFDR). The following indicators are calculated based on the data provided in the Fund's 2023 annual sustainability report or other information that has been taken from third parties.

#### ● How did the sustainability indicators perform?

During the reporting period, the Investment direction's weighted average greenhouse gas (hereinafter referred to as GHG) emissions intensity (Scope 1 and 2 GHG emissions in tons / one million EUR in turnover) was 60,6, which, based on the Fund manager, is in line with the Paris Agreement's long-term objective of keeping global temperature rise below 1.5°C. To avoid reaching the 1,5°C limit, the weighted GHG emissions intensity (Scope 1 and 2 GHG emissions) must not exceed 138. The results of other sustainability indicators for the reference year are set out in the following paragraphs.



● ***...and compared to the previous period?***

The Investment direction's GHG emission intensity comparison with the previous period is provided in the previous paragraph. The results of other sustainability indicators for the previous period are set out in the following paragraphs.

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

The investment process considered the negative impact on sustainability factors. The shares of the companies that had a negative contribution to the objectives of ESG standards were removed from the portfolio of the Fund during the reporting period.

▬ ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The sustainability indicators of the negative impacts were systematically taken into account in the investment process.

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

The Fund manager has conducted an analysis for sustainable investments. The following norm violations were considered in the reporting period: the United Nations Global Compact (UNGC), the United Nations General Principles of Business and Human Rights (UNGP), and the International Labour Organization (ILO). Any serious violation of these norms resulted in the removal of the issuer from the financial product's investable universe.

**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 did this financial product consider principal adverse impacts on sustainability factors?

Nr.	Adverse sustainability indicator	Metric	Impact year 2023	Impact year 2022	Year 2023 coverage*	Year 2022 coverage*
1	GHG emissions**	Scope 1 GHG emissions	63.47	113.47	98%	98%
		Scope 2 GHG emissions	51.40	36.67	98%	98%
		Scope 3 GHG emissions	3,064.20	2,435.97	98%	98%
		Total GHG emissions	3,179.07	2,586.11	98%	98%
2	Carbon footprint**	Carbon footprint	541.92	331.97	98%	98%
3	GHG intensity of investee companies***	GHG intensity of investee companies	935.6	902.97	98%	98%
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	1.04%	5.00%	98%	99%
5	Share of non-renewable energy consumption and production	Non-renewable energy consumption	59.93%	87.00%	85%	42%
6	Energy consumption intensity per high impact climate sector****	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	A - N/A B - N/A C - 0.25 D - 0.13 E - 0.43 F - N/A G - 0.06 H - N/A L - N/A	A - N/A B - 1.16 C - 1.07 D - 6.39 E - 0.84 F - 0.10 G - 0.77 H - 0.99 L - 0.32	85%	N/A
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	41.05%	8.00%	4%	100%
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.01	85.89	3%	12%
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	1.55	94.04	56%	34%
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	6.99%	N/A	97%	0%
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	82.31%	27.00%	98%	100%
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14.66%	5.00%	12%	39%
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	34.71%	29.00%	98%	98%
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	N/A	97%	0%

\*Assets that had available information to assess the Principle Adverse Impact.

\*\*Recalculated GHG emission indicators for 2022.

\*\*\*Based on SFDR, the GHG intensity is calculated by the following formula: Scope 1, 2 and 3 of the GHG emission in tons / one million EUR turnover.

\*\*\*\*Sector classification under NACE: A – Agriculture, forestry, and fishing; B – Mining and quarrying; C – Manufacturing; D – Electricity, gas, steam, and air conditioning supply; E – Water supply; sewerage, waste management and remediation activities; F – Construction; G – Wholesale and retail trade, repair of motor vehicles and motorcycles; H – Transporting and storage; L – Real estate activities.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **98,81%**

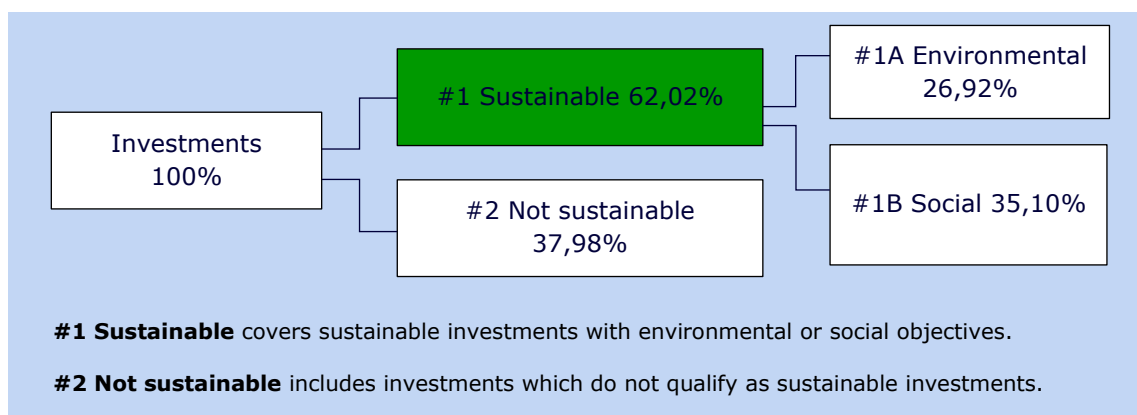
Largest investment	Sector	% Assets	Country
Swisscanto (LU) Equity Fund Sustainable DT	Investment fund	98,81%	Luxembourg



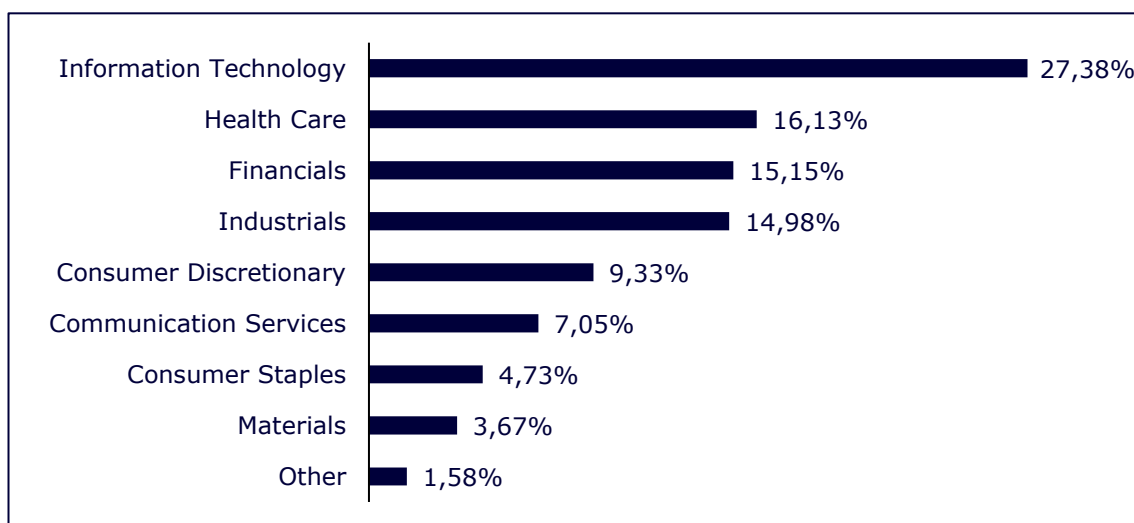
## What was the proportion of sustainability-related investments?

### ● What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



### ● In which economic sectors were the investments made?



Under the Global Industry Classification Standard – GICS.



## To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

No investments were made in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

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.

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

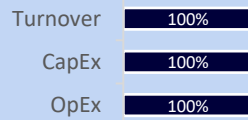
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

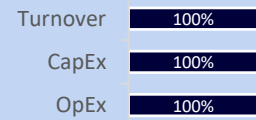


**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product 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.**

1. Taxonomy alignment of investments **including sovereign bonds\***



2. Taxonomy alignment of investments **excluding sovereign bonds\***



■ Taxonomy-aligned ■ Non Taxonomy-aligned

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

● **What was the share of investments made in transitional and enabling activities?**

No investments were made in economic activities that were aligned with the EU Taxonomy.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

No investments were made in economic activities that were aligned with the EU Taxonomy, therefore, the comparison with previous periods does not apply.



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

During the reporting period 62,02% of investments were consisted as sustainable that are not aligned with the EU Taxonomy.



**What was the share of socially sustainable investments?**

During the reporting period 35,10% of investments were consisted as socially sustainable.



**What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

Not sustainable investments included derivatives and cash and cash equivalents. These did not meet the minimum social and environmental protection requirements.

**What actions have been taken to attain the sustainable investment objective during the reference period?**

During the reporting period, the Fund manager complied with the best ESG practices, which are in line with SB draudimas Responsible Investing and Sustainability Risk Integration Policy. During the reporting period, the Fund manager actively applied the best ESG practice standards in its investment management and capital allocation process. In addition, the Fund manager not only engaged in a constructive dialogue with investee managers on ESG issues, but also ensured that shareholders' voting rights are exercised in compliance with both Swiss and international corporate governance rules and the 17 Sustainable Development Goals set by the United Nations.



**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

### **How did this financial product perform compared to the reference sustainable benchmark?**

Not applicable. No benchmark was determined as a reference value for achieving the sustainable investment targets.

- ***How did the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.